

# **2016 BC INTERNATIONAL EDUCATION INTELLIGENCE REPORT RELEASE**

**BCCIE Summer Seminar**

- **This presentation was presented by ICG at the BCCIE Summer Seminar in Victoria on 20 June 2016.**
- **The presentation shall be considered incomplete without oral clarification.**
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## Housekeeping

**Global Student Mobility Trends**

**International Students in British Columbia**

**Perspectives on British Columbia's Recruiting Markets**

**Student Decision Drivers: Cost, Ranking, Social Media Presence**

**Competitiveness Driver: Pathways**

**Outlook: British Columbia in 2018**

**Discussion**

- This presentation is geared for about 40 minutes.
- About 20 minutes are allocated for discussion.
- The presentation will be made available through BCCIE and ICG.
- The *2016 Canada International Education Intelligence* is available from BCCIE (print) and ICG (PDF).
- Please see [www.icg.ac](http://www.icg.ac) for the presentation and report.

**Housekeeping**

**Global Student Mobility Trends**

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**Perspectives on British Columbia's Recruiting Markets**

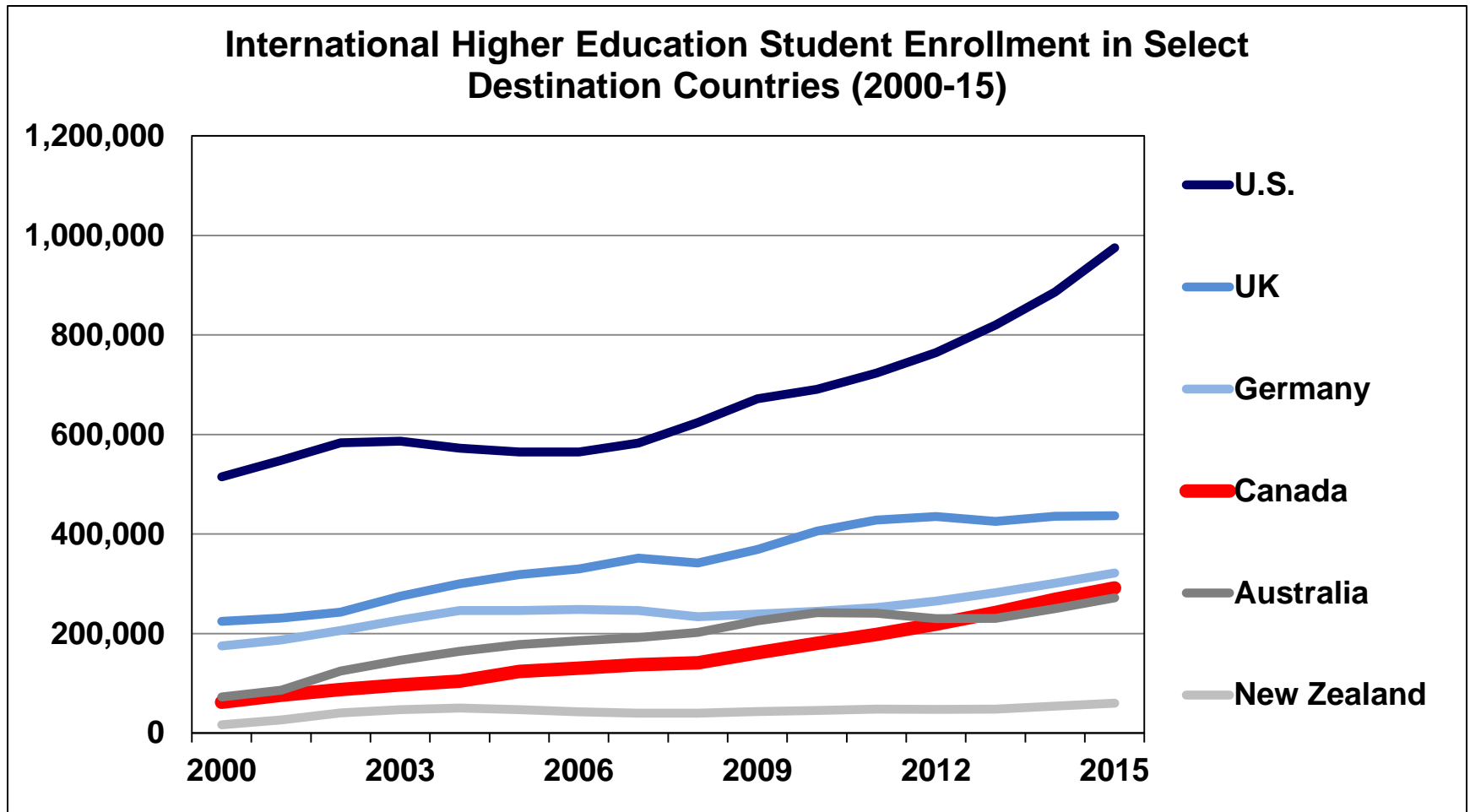
**Student Decision Drivers: Cost, Ranking, Social Media Presence**

**Competitiveness Driver: Pathways**

**Outlook: British Columbia in 2018**

**Discussion**

# INTERNATIONAL HIGHER EDUCATION STUDENTS IN SELECT DESTINATION COUNTRIES

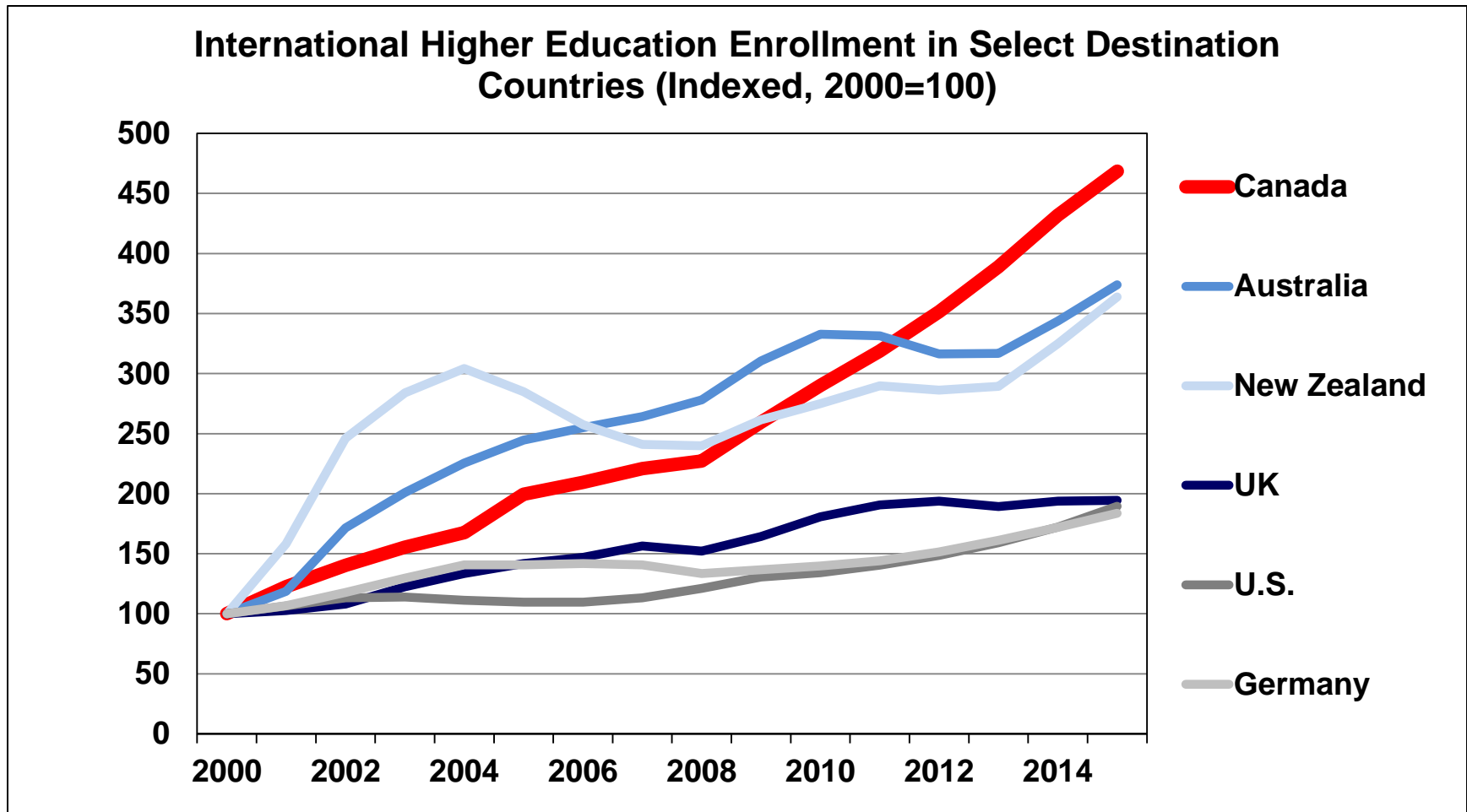


**Canada, U.S., and Germany have grown, Australia is recovering, UK is flat**

Notes: Australian methodology revised between 2001 and 2002. UK methodology revised between 2007 and 2008. New Zealand enrollment for 2015 was estimated. France and China excluded owing to data definition and consistency issues. Both countries likely enrolled more than 300,000 international students in 2015.

Source: AEI, IRCC, DAAD-DZHW, HESA, IIE, NZ MoE.

# INTERNATIONAL HIGHER EDUCATION STUDENTS IN SELECT DESTINATION COUNTRIES



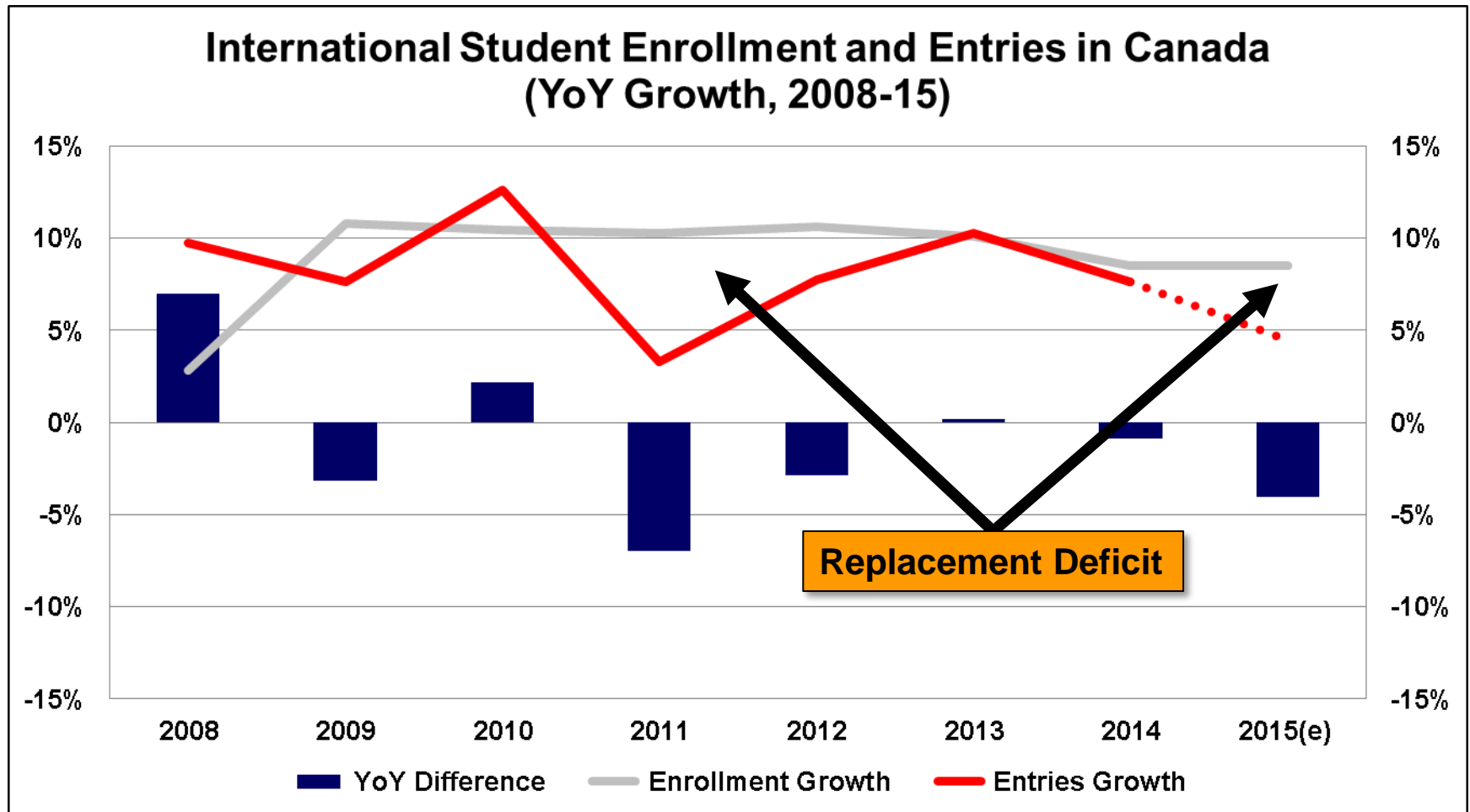
**Canada outperformed competitors from 2009 to 2014, but...**

Notes: Australian methodology revised between 2001 and 2002. UK methodology revised between 2007 and 2008. New Zealand enrollment for 2015 was estimated. France and China excluded owing to data definition and consistency issues. Both countries likely enrolled more than 300,000 international students in 2015.

Source: AEI, IRCC, DAAD-DZHW, HESA, IIE, NZ MoE.

# EXECUTION MATTERS: LOSING THE M&R&A BATTLE

## The Outcome of Uncompetitive Recruitment Practices



**... 2011-15 replacement deficit will drive future enrollment growth drop**

Notes: 2015 data is based on public IRCC data, partial national association data, and ICG modeling.

Source: IRCC, ICG.



- **Canada become a key destination country over the last decade.**
- **Growth between 2008 and 2014 was high and sustained.**
- **The intake pipeline started to weaken in 2011.**
- **By 2015, Canada entered a new market position phase.**

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**Student Decision Drivers: Cost, Ranking, Social Media Presence**

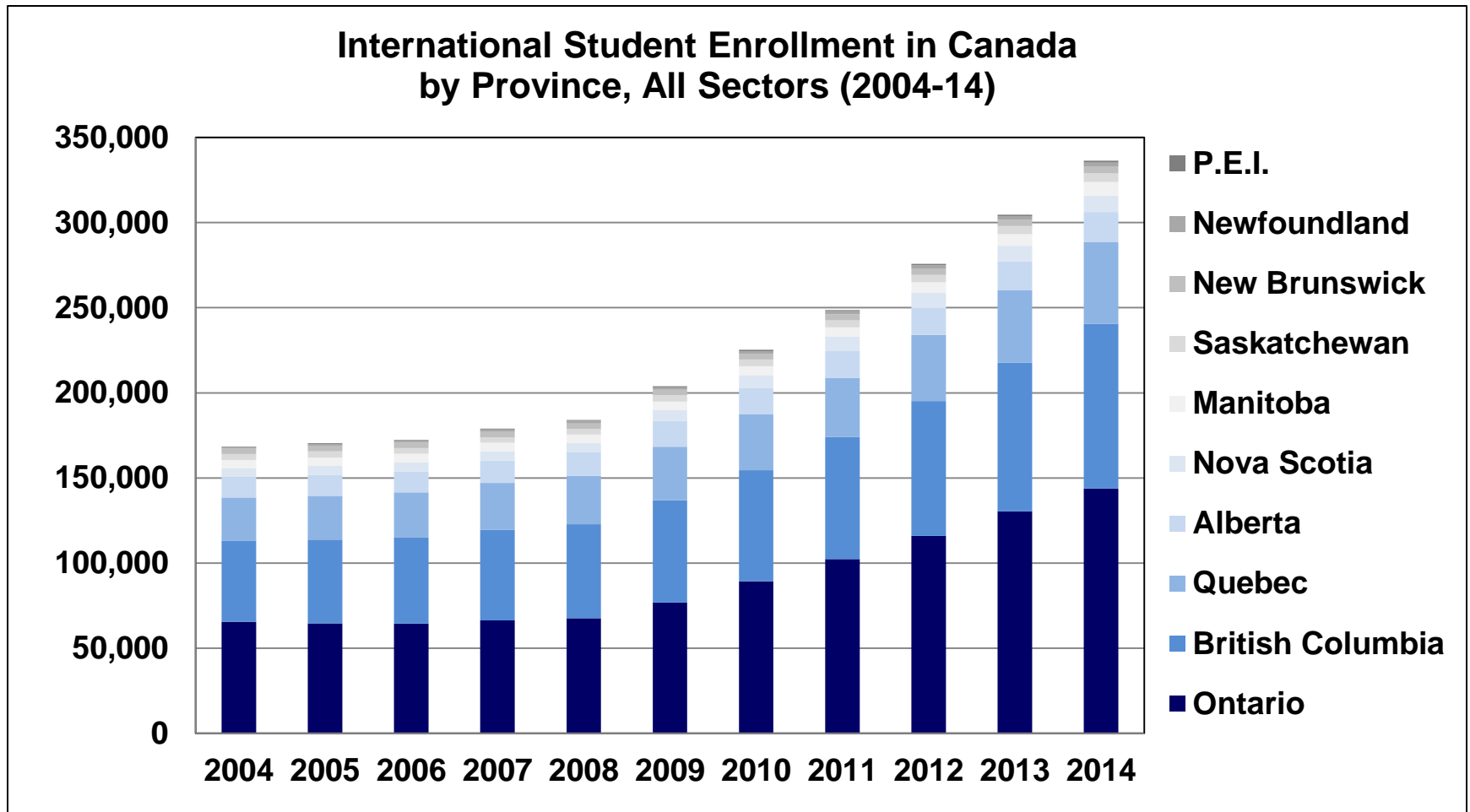
**Competitiveness Driver: Pathways**

**Outlook: British Columbia in 2018**

**Discussion**

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment by Province



**BC hosts the second-largest international student population in Canada**

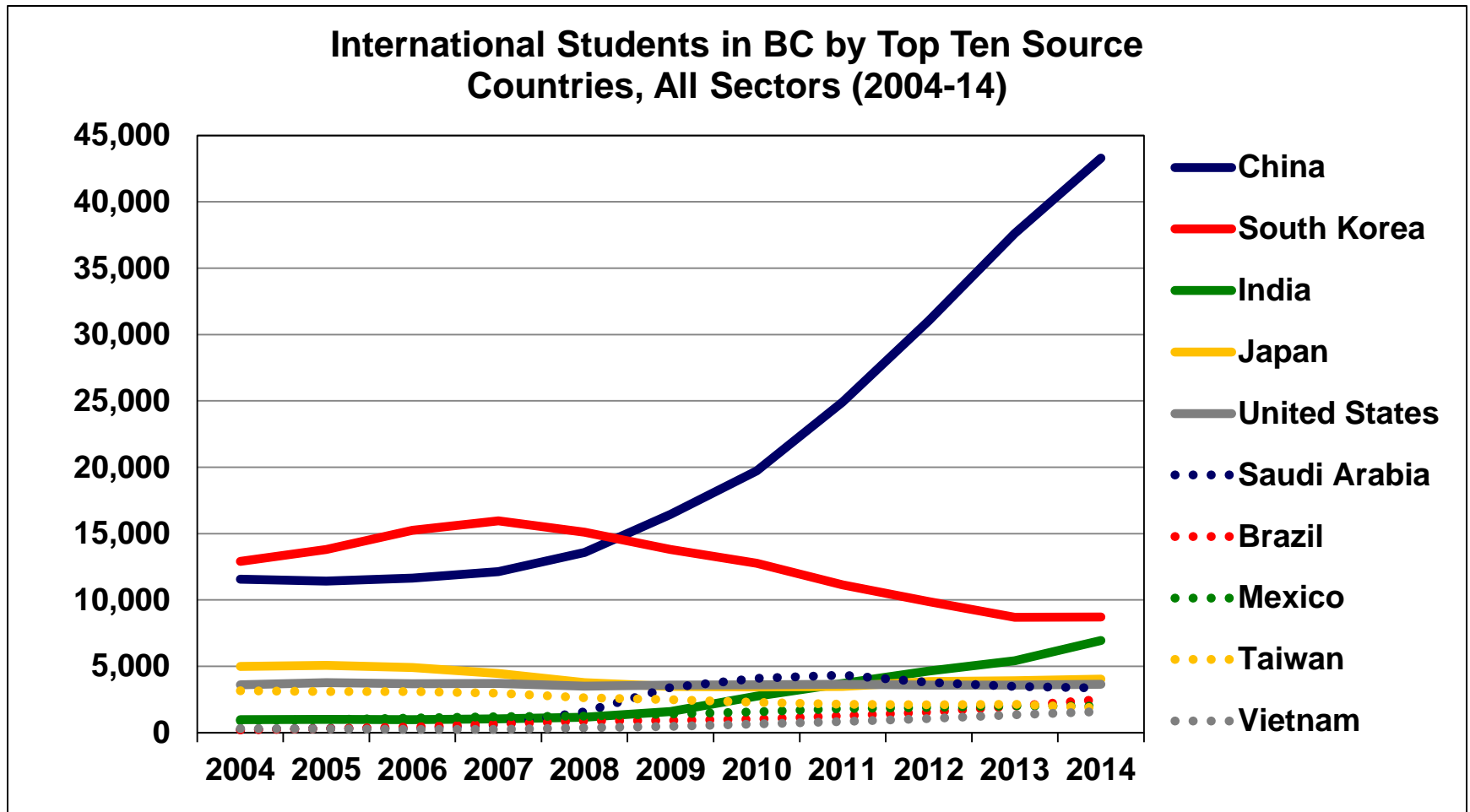
Notes: Includes all levels of study. Northwest Territories, Nunavut, and Yukon not displayed.

Source: IRCC.

ICG © 2016

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment in BC by Source Country



**China's share rose from 24 percent in 2004 to 45 percent in 2014**

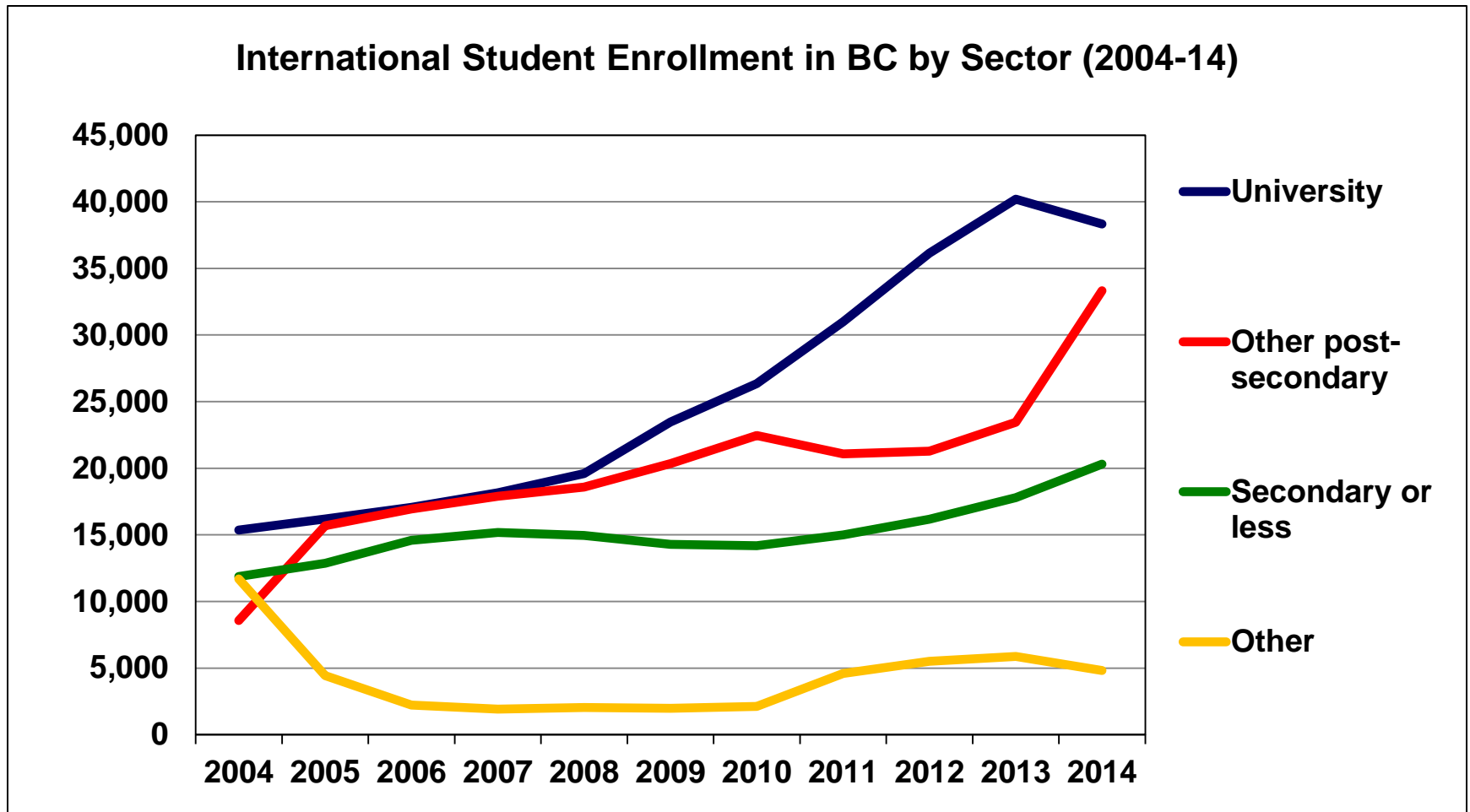
Notes: Includes all levels of study.

Source: IRCC.

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# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment in BC by Sector



**BC's K-12 sector attracts an outsized number of international students**

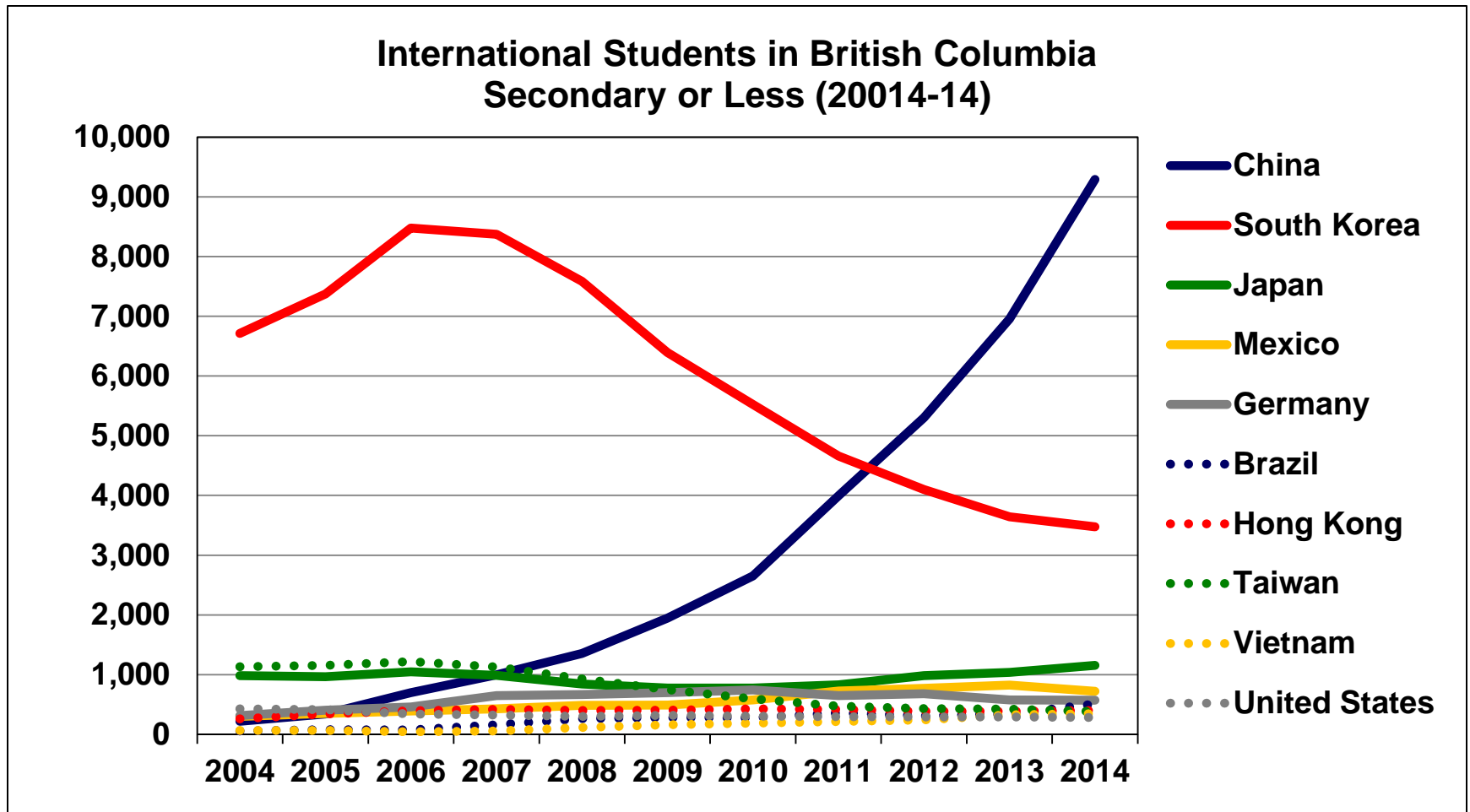
Notes: Based on levels of study as defined by IRCC. IRCC reclassified the university / other post-secondary sectors in 2014.

Source: IRCC.

ICG © 2016

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment in BC, Secondary or Less



**China's enrollments are up 43-fold – diversification is urgently needed**

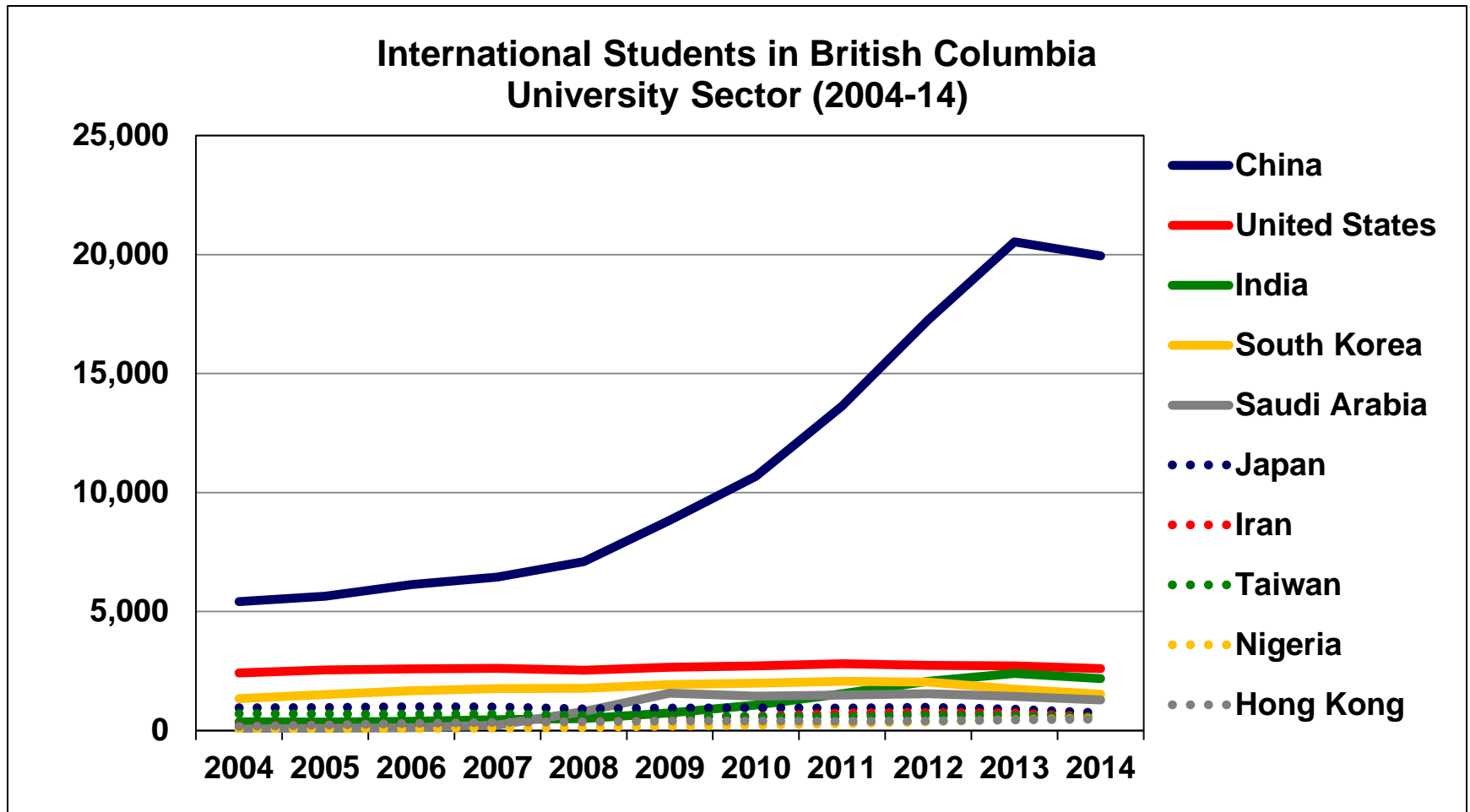
Notes: Top 10 source countries shown.

Source: IRCC.

ICG © 2016

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment in BC, Universities



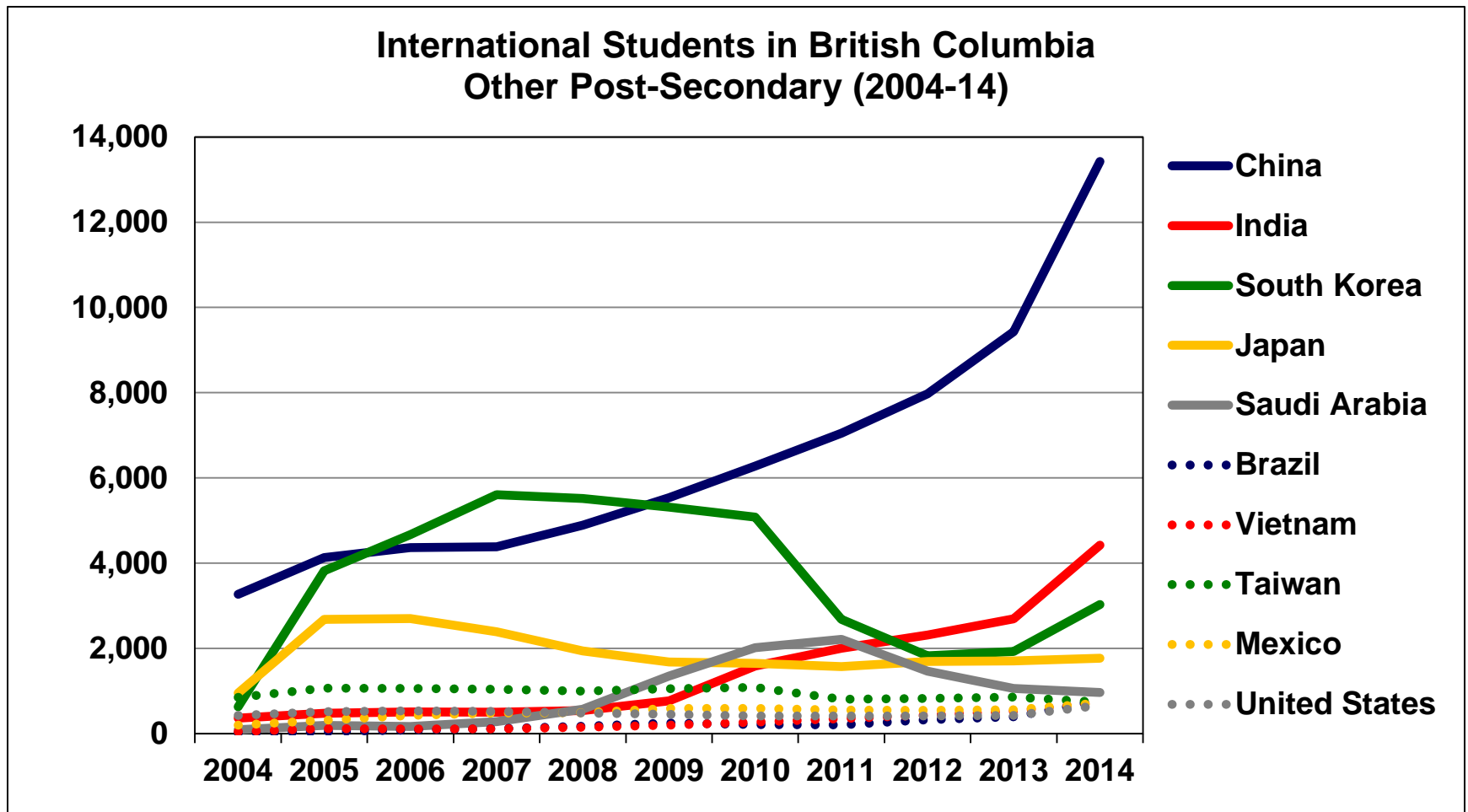
**Excluding China, only four countries sent more than 1,000 students in 2014**

Notes: Top 10 source countries shown.

Source: IRCC.

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment, BC Colleges and Institutes



**China and India grew notably, South Korea more than halved**

Notes: Top 10 source countries shown. Other post-secondary level only.

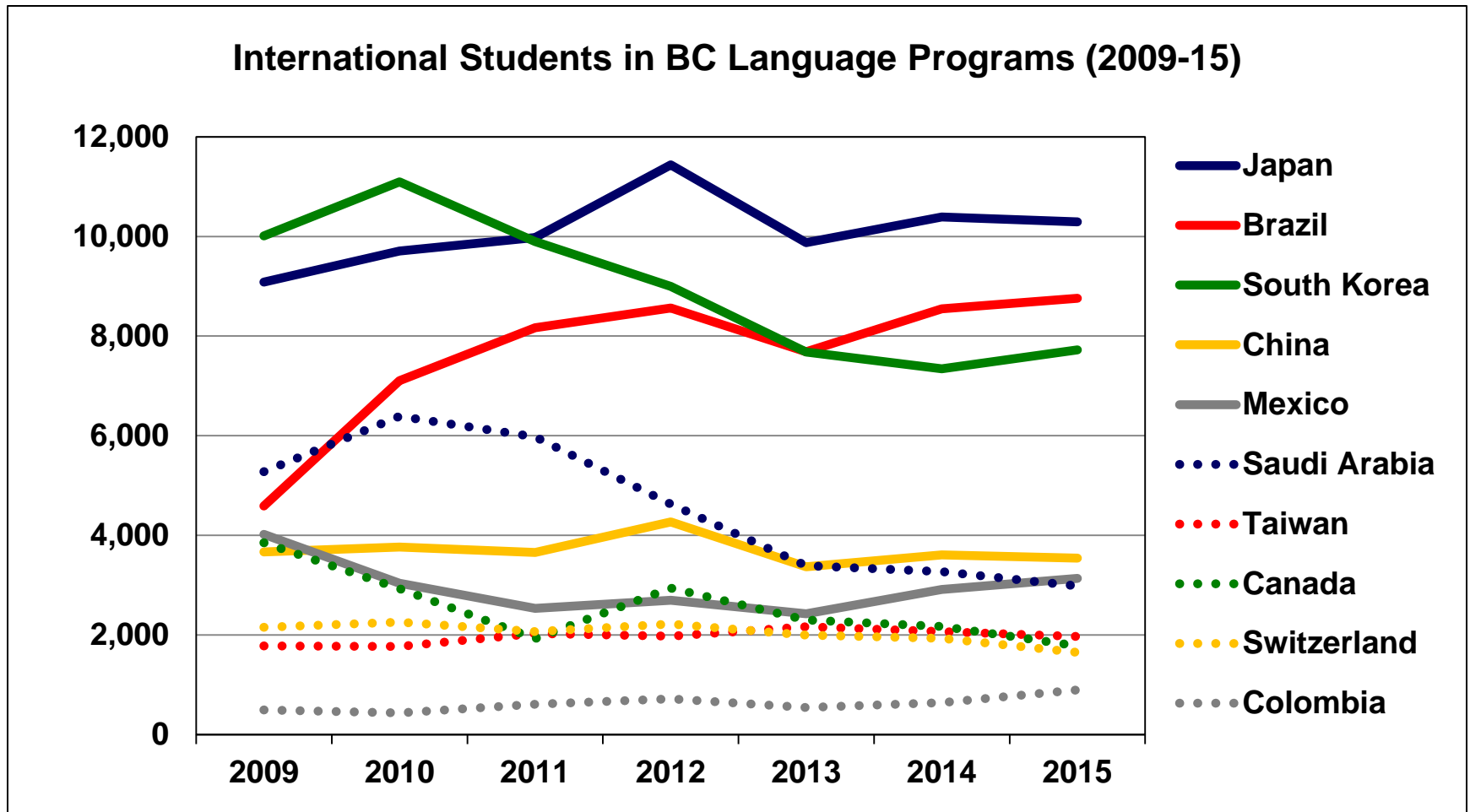
Source: IRCC.

ICG © 2016



# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## International Student Enrollment in BC, Language Programs



**Japan, Brazil, and South Korea grew; combined other enrollments fell**

Notes: Includes only students in Languages Canada member programs. Decrease in 2013 partially owing to the termination of a large member program.

Source: Languages Canada.

ICG © 2016

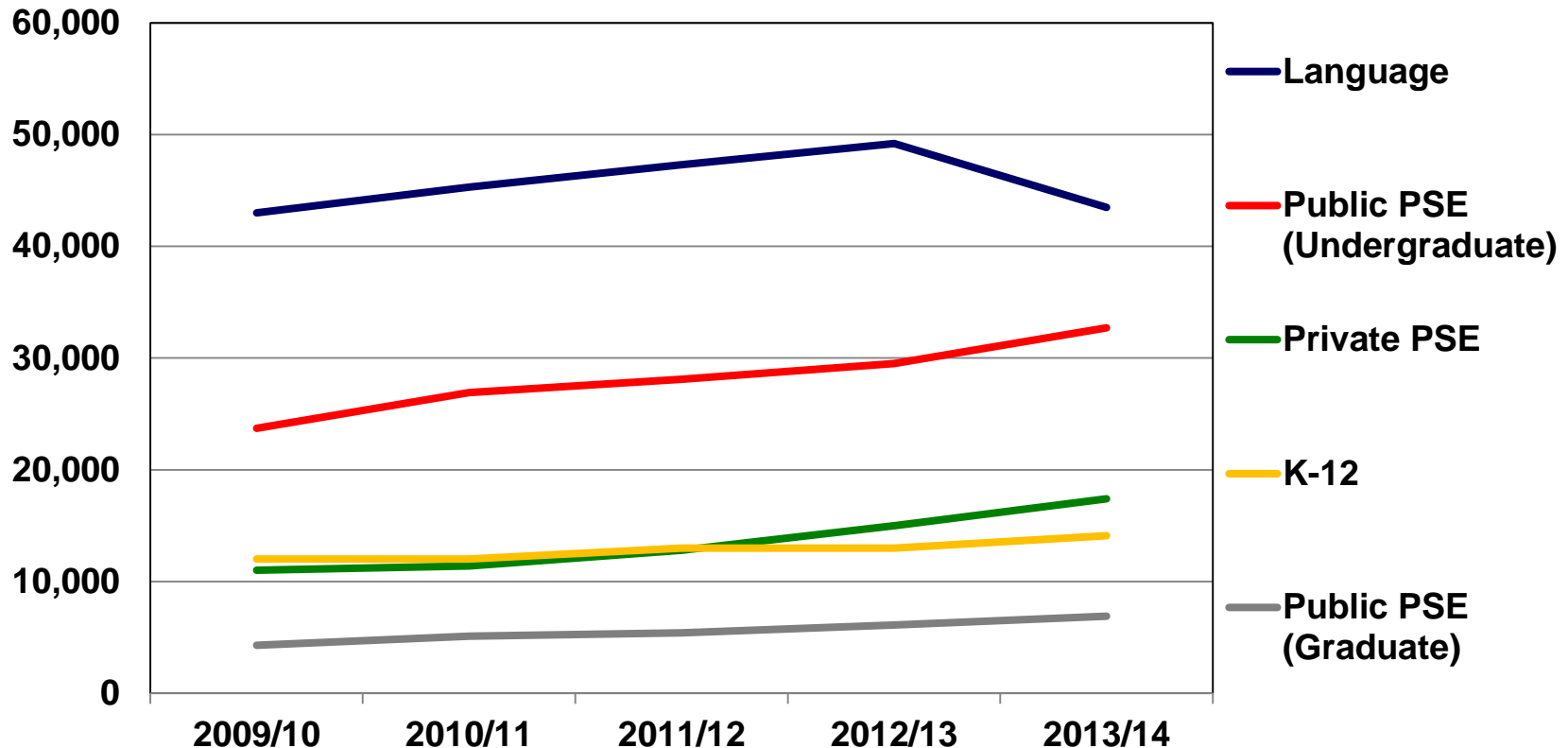
BCCIE 2016: BC Intelligence Report Release – 20 June 2016

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## AVED: International Student Enrollment by Sector

AVED

International Students in British Columbia  
by Institution Type (2009/10-13/14)



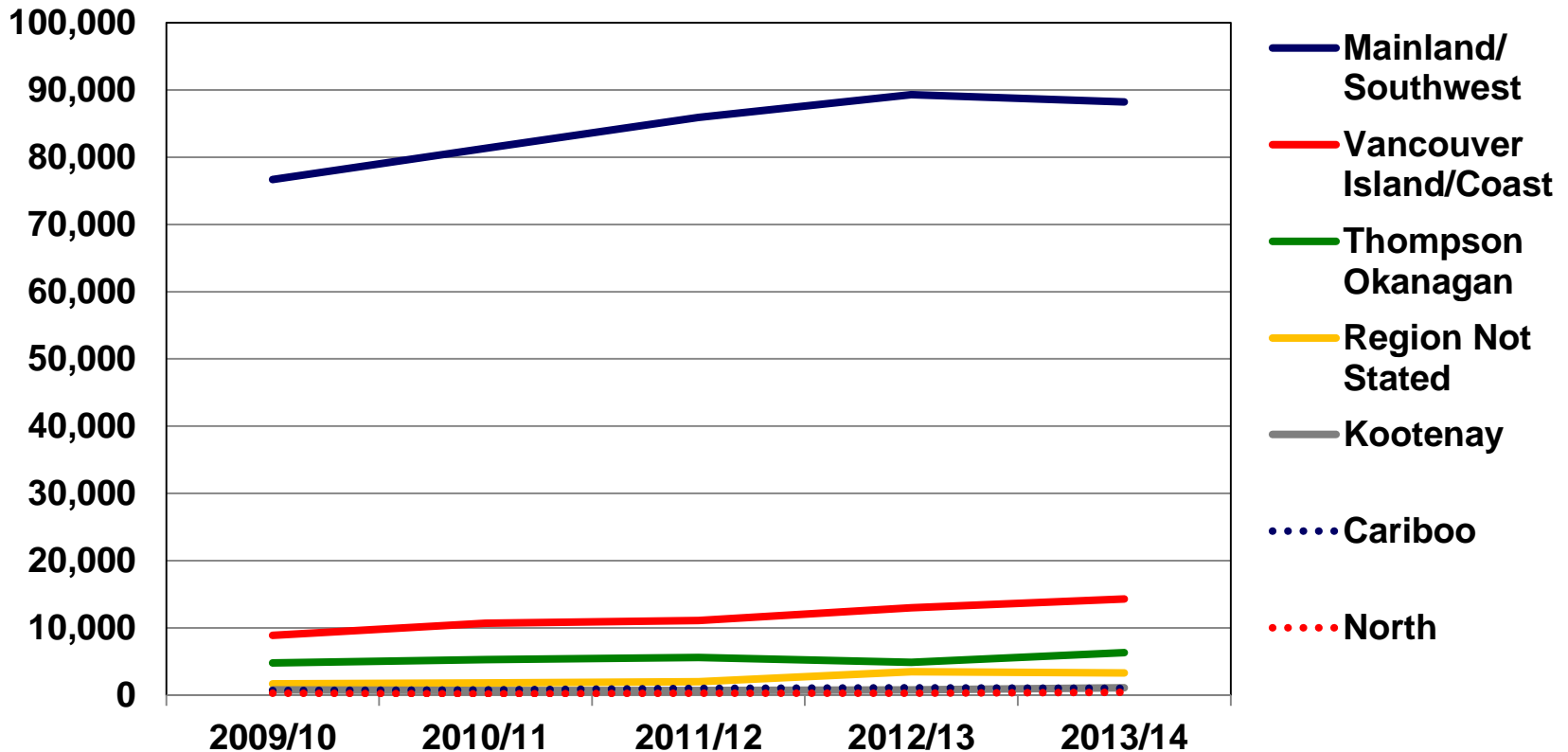
Annual growth slowed to less than two percent in 2013/14

# INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

## AVED: International Student Enrollment by Location

AVED

### International Students in British Columbia by Economic Development Region (2009/10-13/14)



Mainland cost pressures

# COMMENTARY ON INTERNATIONAL STUDENTS IN BRITISH COLUMBIA

- **International student enrollment in BC higher education institutions has grown notably over the past 10 years.**
- **China and to a lesser degree India are responsible for this growth. Dangerous monocultures are emerging.**
- **K-12 Sector: Exhibited particular success – attracting nearly 39 percent of all international K-12 students in Canada.**
- **University Sector: China, China, China.**
- **College and institute Sector: China and India; South Korean intake more than halved.**
- **Language Schools Sector: Japan, Brazil, and South Korea together account for more than half of enrollments.**

**Housekeeping**

**Global Student Mobility Trends**

**International Students in British Columbia**

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**Student Decision Drivers: Cost, Ranking, Social Media Presence**

**Competitiveness Driver: Pathways**

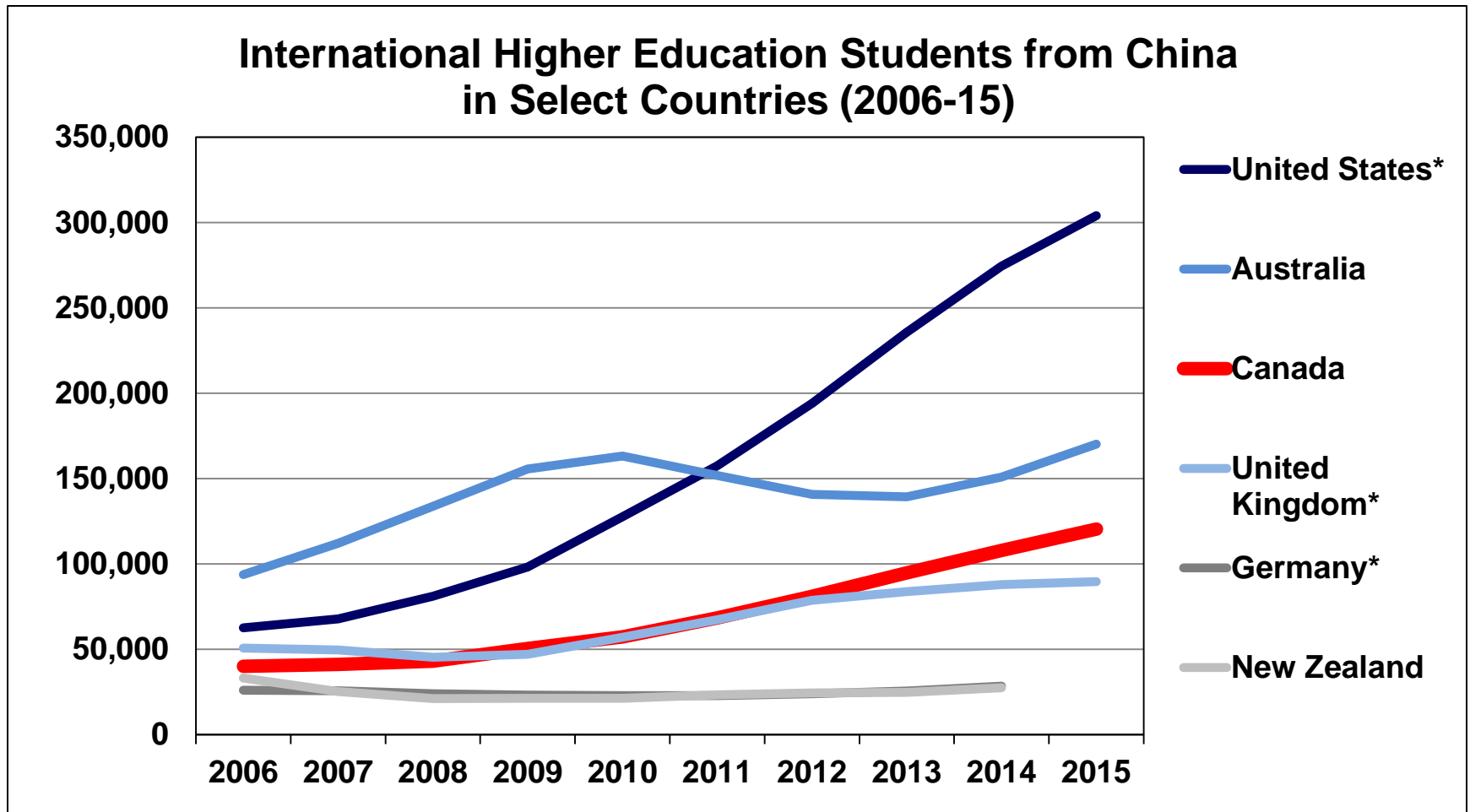
**Outlook: British Columbia in 2018**

**Discussion**

- **This section compares higher education enrollments in select destinations of international higher education students from the following recruitment markets:**
  - **China**
  - **India**
  - **United States**
  - **South Korea**
  - **Japan**
- **These comparisons are provided to highlight BC's competitive position in some of its key recruitment markets.**
- **Additionally, they serve to offer a broader view of trends in student flows from these source countries.**

# COMPETITION DYNAMICS IN KEY RECRUITING MARKETS

## International Student Enrollment from China



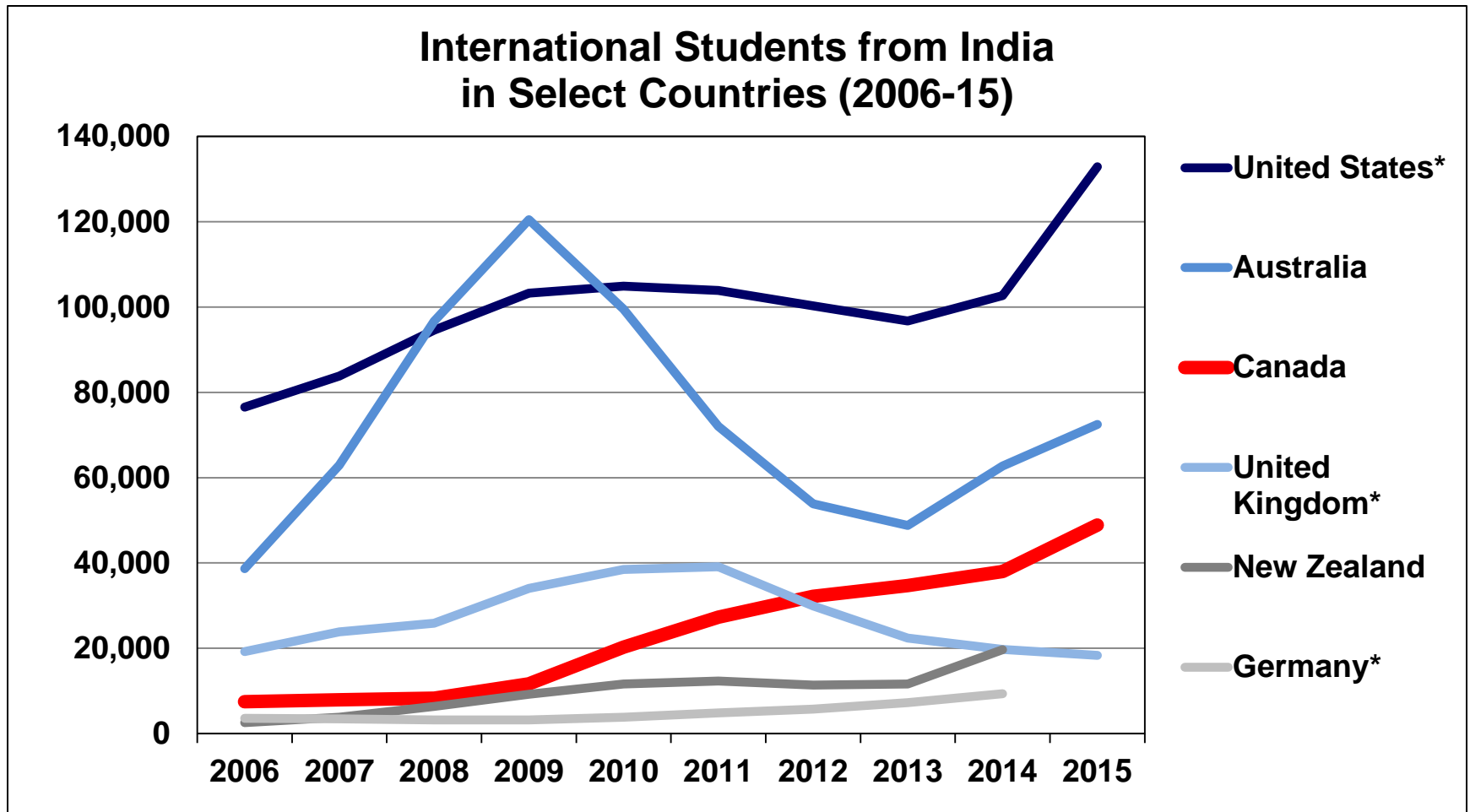
**The U.S. grew significantly; Canada maintained growth; Australia recovered**

Notes: For countries marked with an asterisk (\*), data refer to students enrolled in higher education only.

Source: AEI, IRCC, DAAD-DZHW, IIE, HESA, NZ MoE.

# COMPETITION DYNAMICS IN KEY RECRUITING MARKETS

## International Student Enrollment from India



**Canada and the U.S. sustained strong growth while others remain volatile**

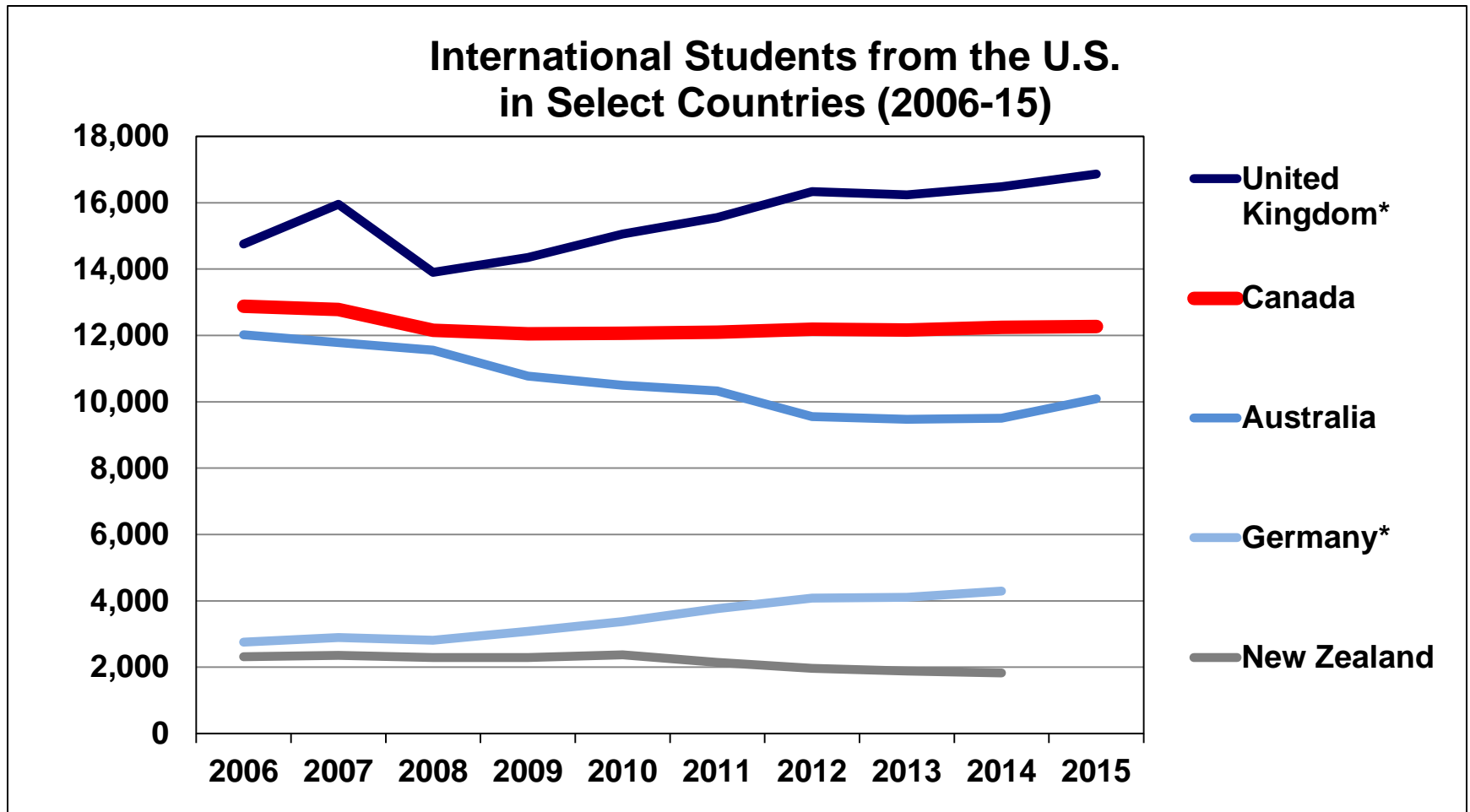
Notes: For countries marked with an asterisk (\*), data refer to students enrolled in higher education only.

Source: AEI, IRCC, DAAD-DZHW, IIE, HESA, NZ MoE.



# COMPETITION DYNAMICS IN KEY RECRUITING MARKETS

## International Student Enrollment from the United States



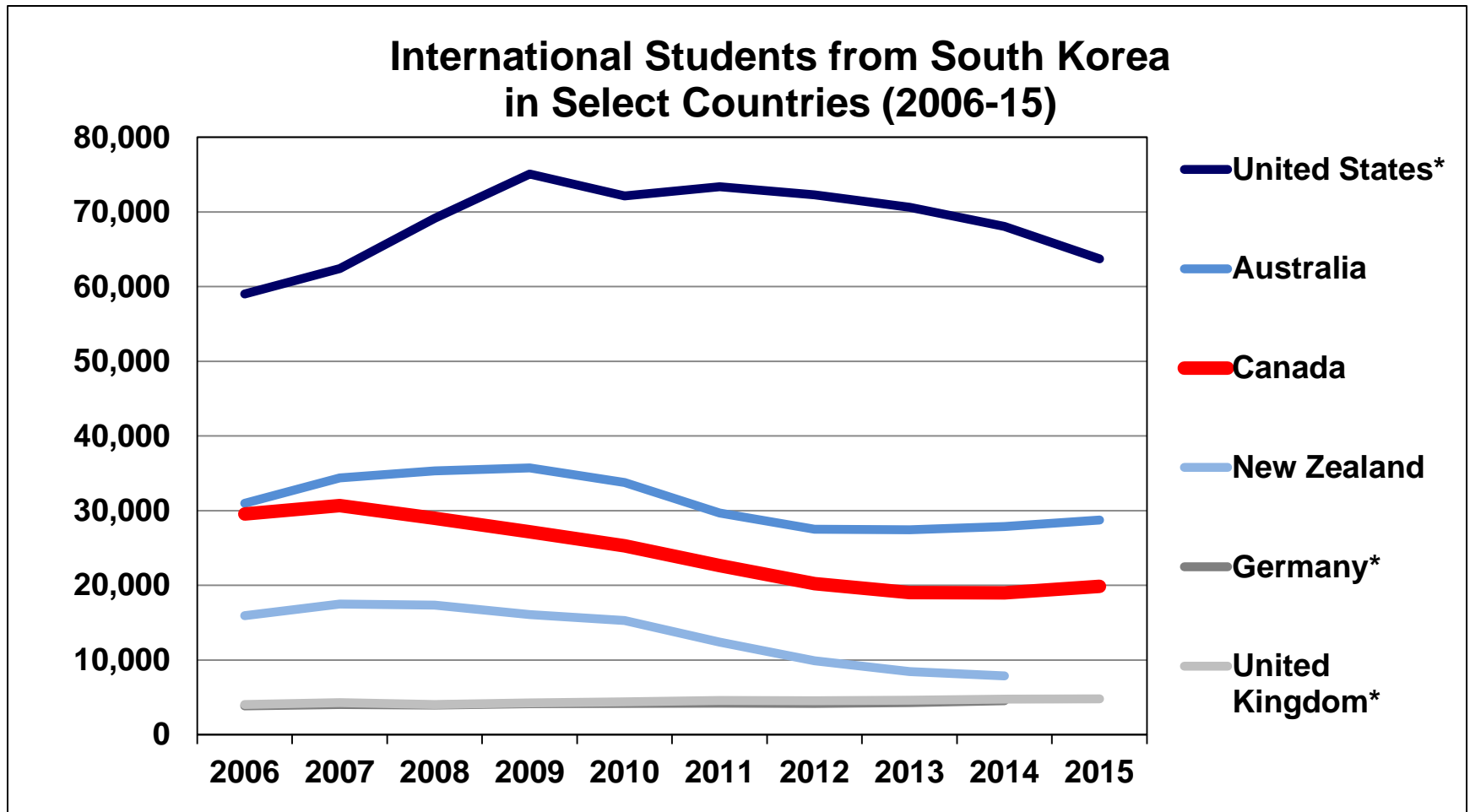
**The U.S. remains an underexploited market for Canadian and BC institutions**

Notes: For countries marked with an asterisk (\*), data refer to students enrolled in higher education only.

Source: AEI, IRCC, DAAD-DZHW, IIE, HESA, NZ MoE.

# COMPETITION DYNAMICS IN KEY RECRUITING MARKETS

## International Student Enrollment from South Korea



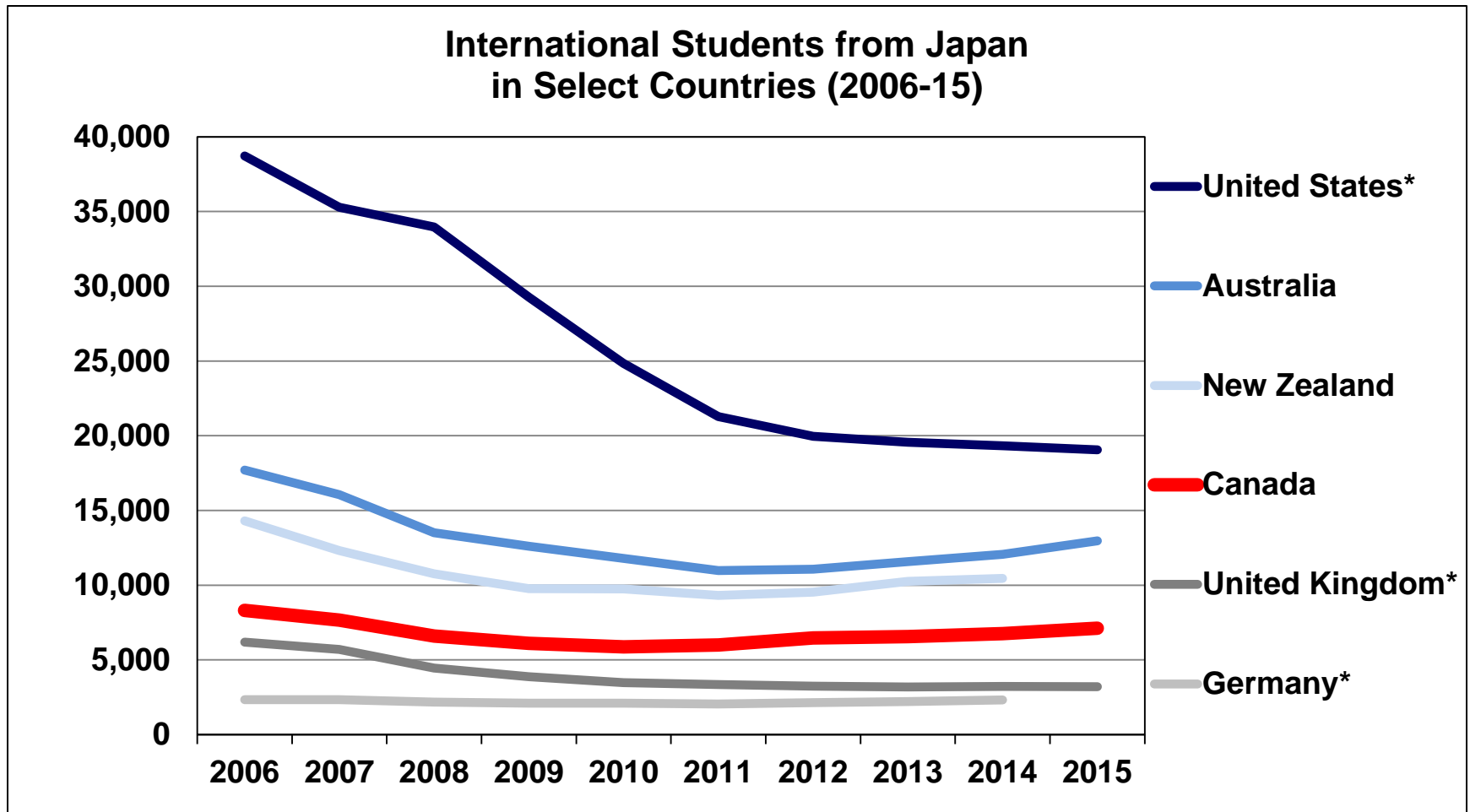
**South Korea has become a maintenance market; negative trends prevail**

Notes: For countries marked with an asterisk (\*), data refer to students enrolled in higher education only.

Source: AEI, IRCC, DAAD-DZHW, IIE, HESA, NZ MoE.

# COMPETITION DYNAMICS IN KEY RECRUITING MARKETS

## International Student Enrollment from Japan



**Japan has been in decline; recently some countries experienced growth**

Notes: For countries marked with an asterisk (\*), data refer to students enrolled in higher education only.

Source: AEI, IRCC, DAAD-DZHW, IIE, HESA, NZ MoE.

- **China: Strong growth – but also significant in-market change dynamics. What about student quality?**
- **India: ROI-driven mobility creates bellwether function.**
- **U.S.: With rare exceptions, Canadian institutions do not lead with a brand pitch; discounting does not work.**
- **South Korea: Demographic pressures continue to depress enrollments.**
- **Japan: A balance between declining demographics and a renewed out-bound push.**

**Housekeeping**

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**Outlook: British Columbia in 2018**

**Discussion**

- The following discussion centers on three key drivers for **attracting** international students to British Columbia institutions:
  - Value – Fees and cost of living
  - Brand perception – International university rankings
  - Engagement – Social media presence

## International Tertiary Students

- 5 million in 2015 (OECD and ICG estimate)

## International Higher Education Economics

- Spend on international education: USD 200+ billion (ICG, 2015)
- Spend on international higher education: USD 155-170 billion (ICG, 2014).
- Total cost of acquiring a Bachelor's at an international ranked (Top 500) western university: USD 45,000-320,000 (ICG, 2016).

## Student Behavior

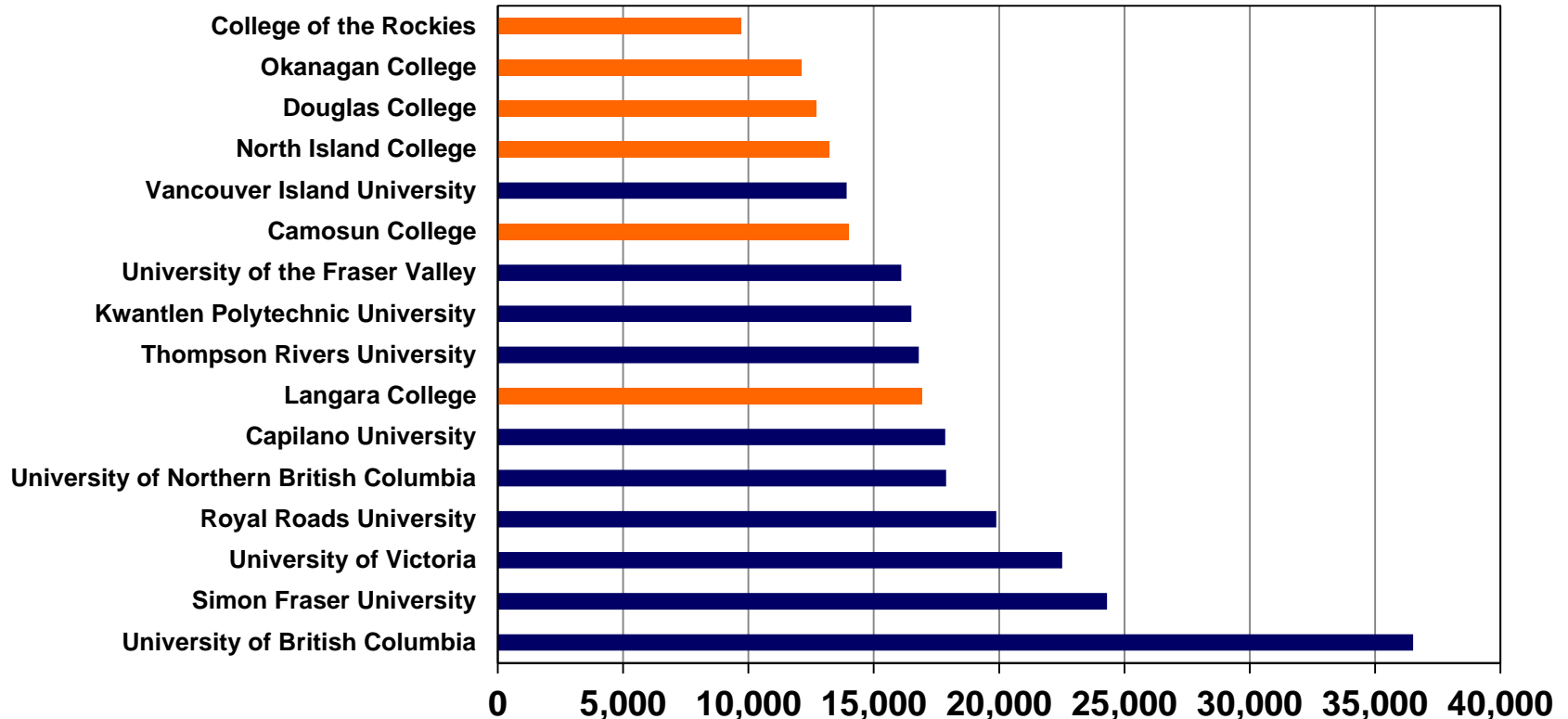
- Credential acquisition...

# INTERNATIONAL STUDENT TUITION FEES IN BC

## 2016 Annual Tuition Fees Cost: BBA Programs in BC

Fees

### International Tuition Fees: Bachelor of Business Administration (CAD) (2016)



**CAD 10,000 to 37,000 annual fees – college/university divide evident**

Notes: Colleges are displayed in orange. Universities are displayed in blue.

Source: Institutions.

ICG © 2016

BCCIE 2016: BC Intelligence Report Release – 20 June 2016

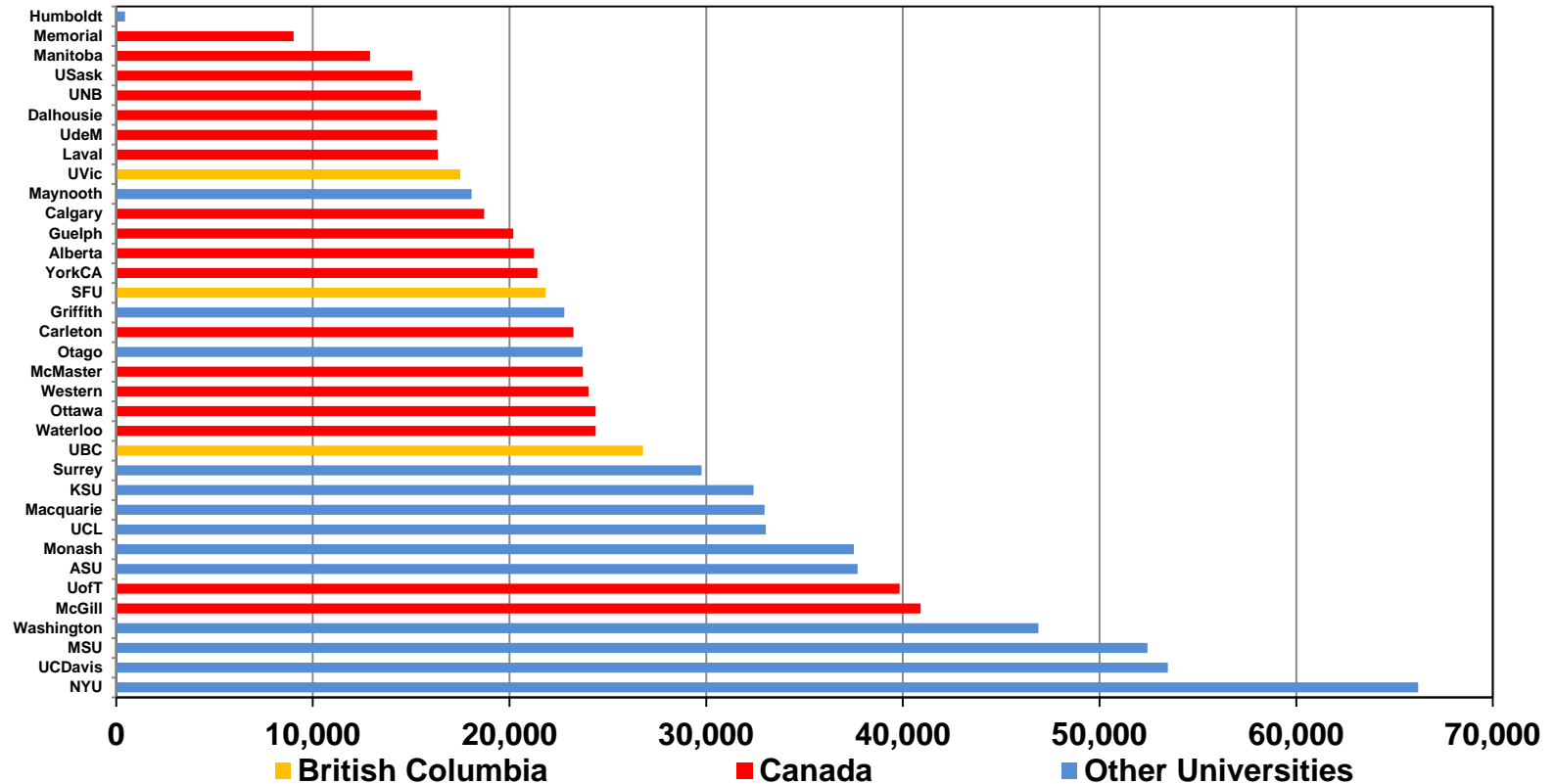


# TOTAL COST OF DEGREE ACQUISITION: CASE STUDY

## 2016 Annual Tuition Fees Cost: Bachelor of Economics Programs

Fees

International Student Annual Tuition and Fees (2016) (CAD):  
Bachelor of Economics



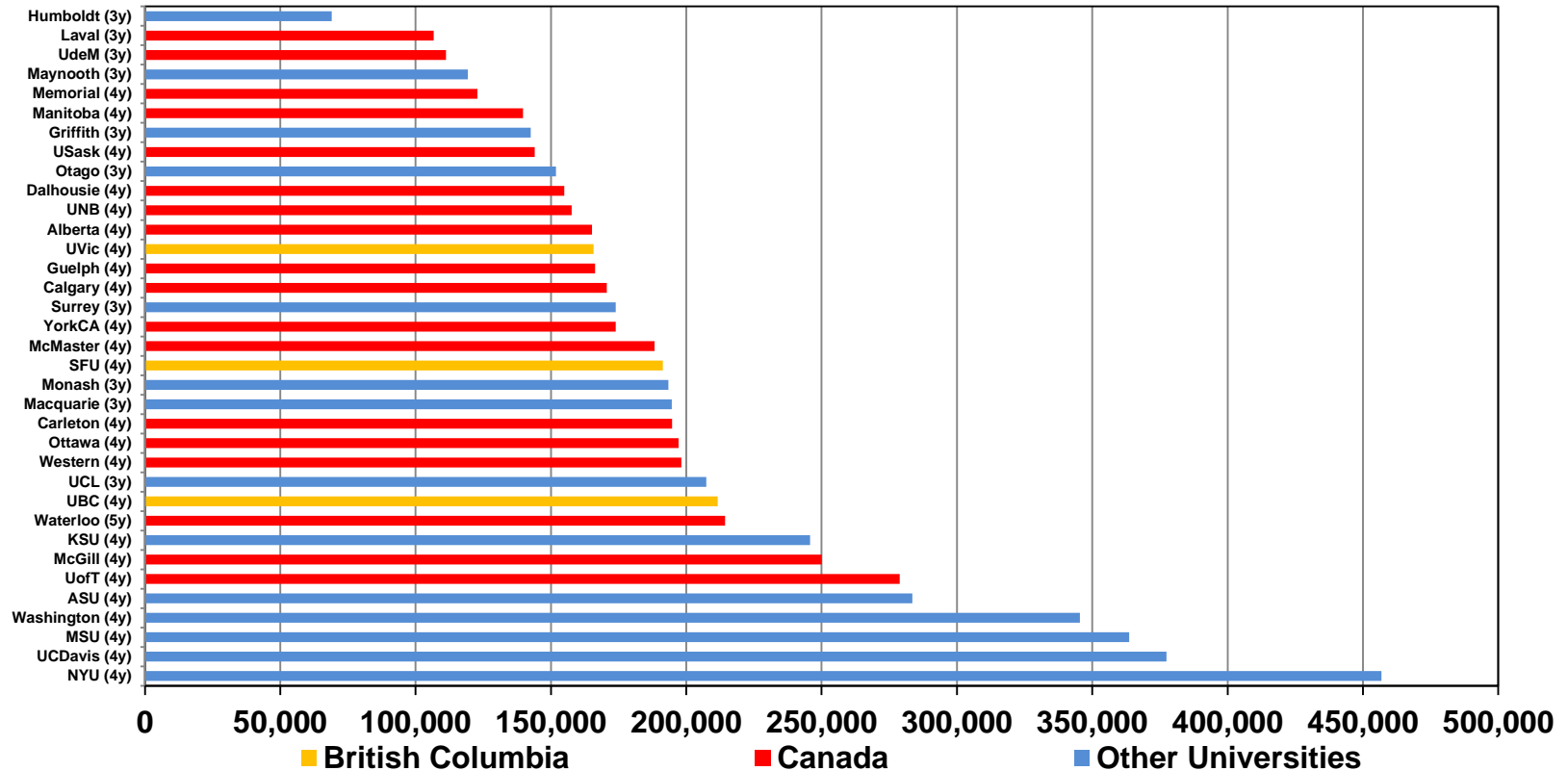
On an annual fees basis, BC universities appear competitive, but ...

# TOTAL COST OF DEGREE ACQUISITION: CASE STUDY

## 2014-18 TCODA: Bachelor of Economics Programs

Fees

### International Student Total Cost of Degree Acquisition (2016-20) (CAD): Bachelor of Economics



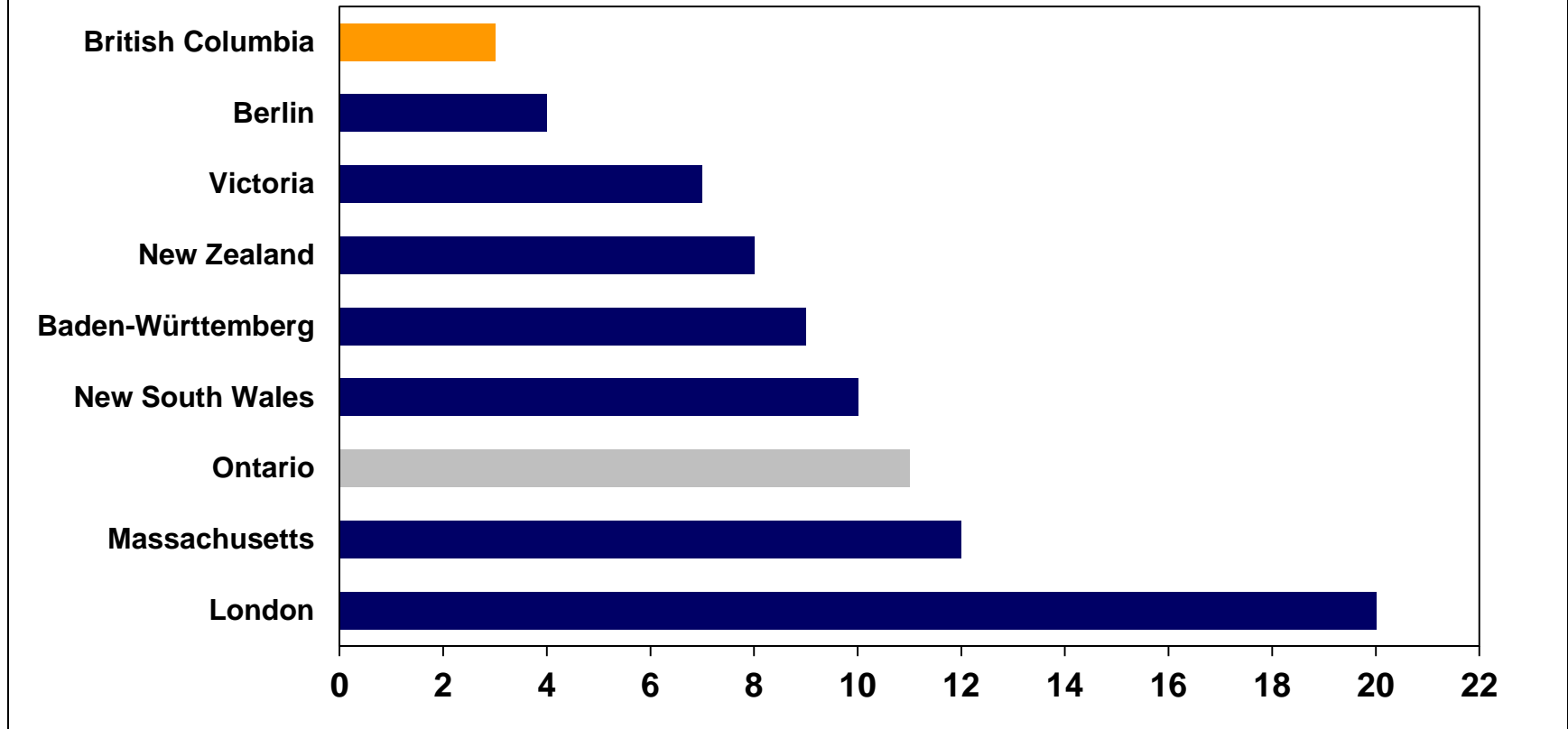
... cost of living pushes BC programs into higher-cost positions

# INTERNATIONAL UNIVERSITY RANKINGS

## Ranked Universities in Select Jurisdictions

Rankings

### Number of Ranked Universities in Select Jurisdictions (2015)



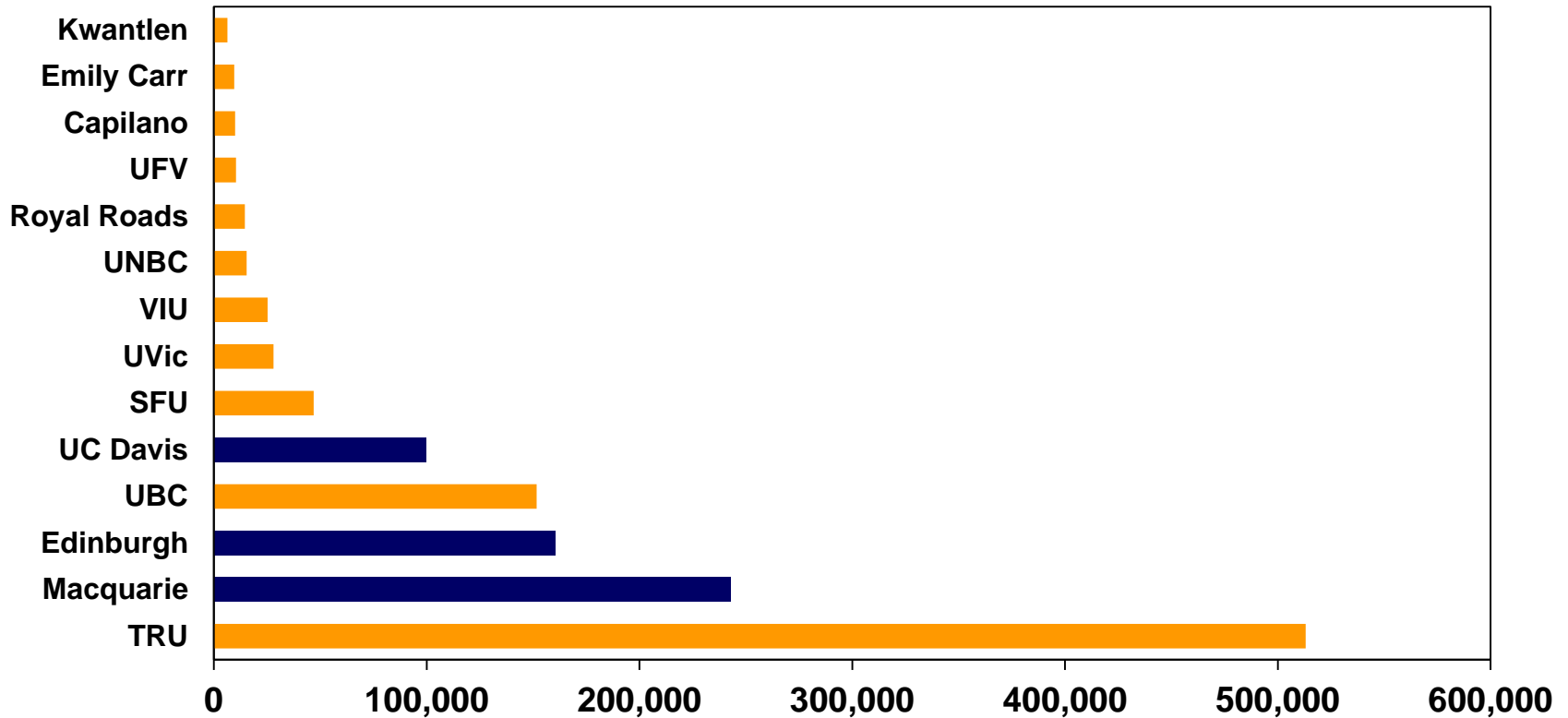
**3/11 BC universities are ranked; 11/22 in Ontario; 8/8 in New Zealand**

# SOCIAL MEDIA PRESENCE

## Example: Facebook

Social

### Official Facebook Page by University (Number of Likes)



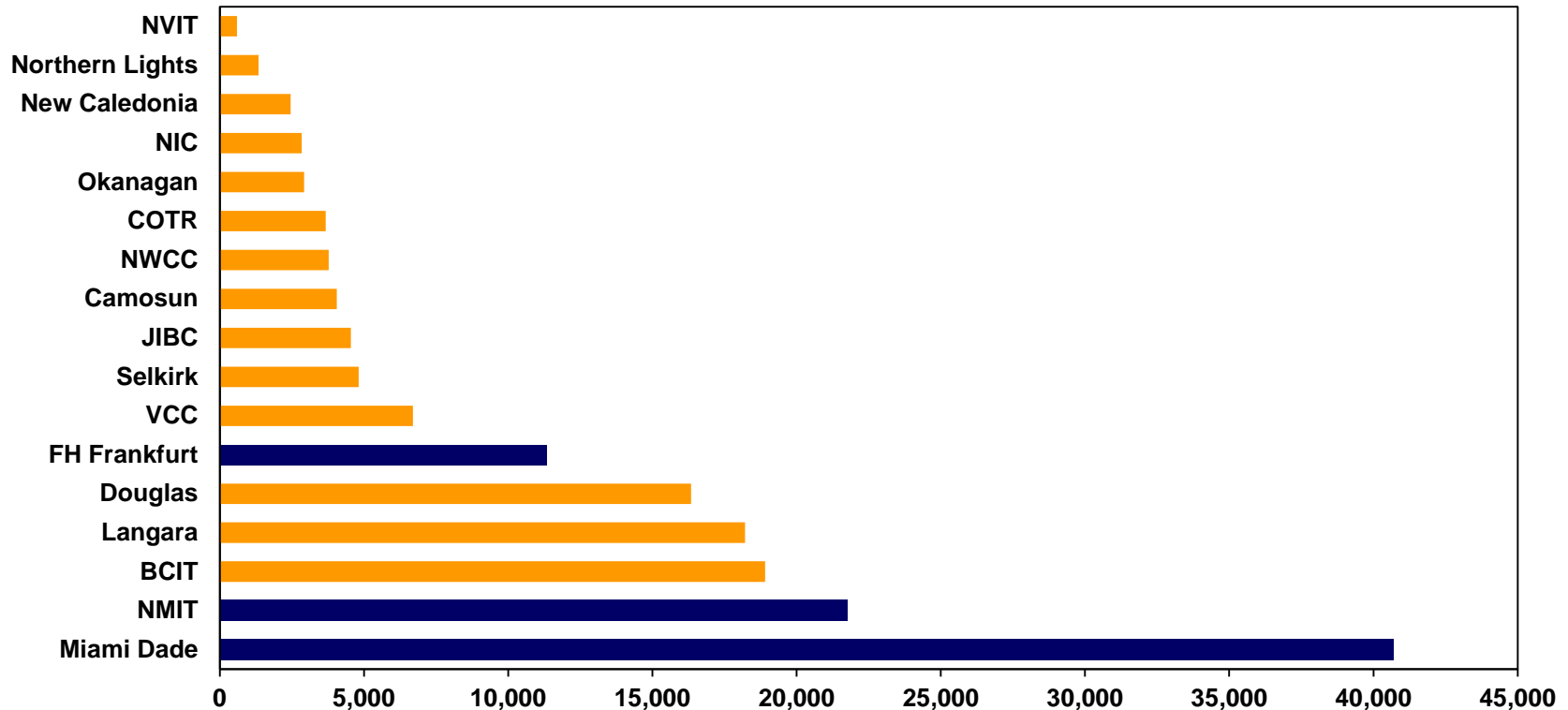
**TRU's footprint exceeds those of many Ivy League Institutions**

# SOCIAL MEDIA PRESENCE

## Example: Facebook

Social

### Official Facebook Page by College (Number of Likes)



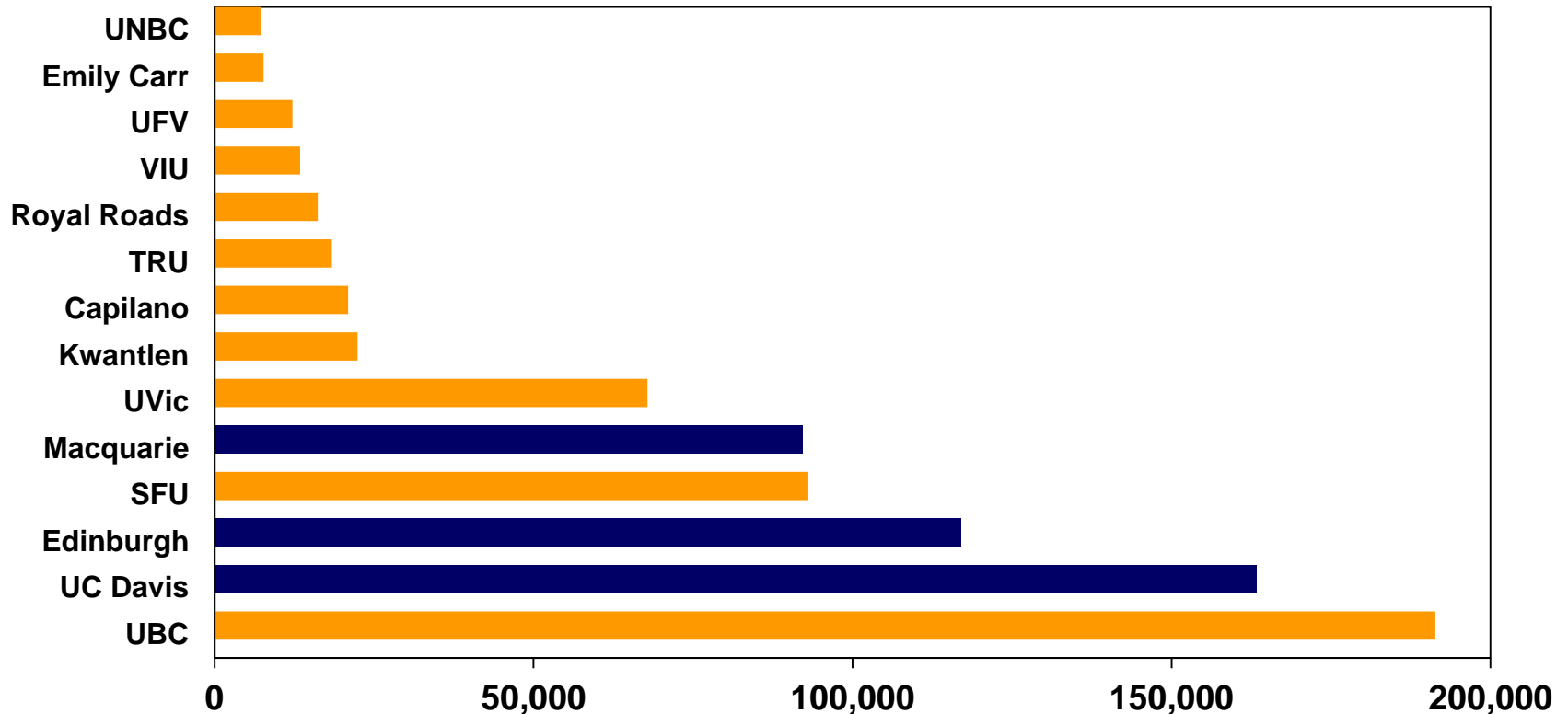
**BC colleges garner “Likes” relative to their overall size**

# SOCIAL MEDIA PRESENCE

## Example: LinkedIn

Social

### LinkedIn University Page by University (Total Number of Alumni)



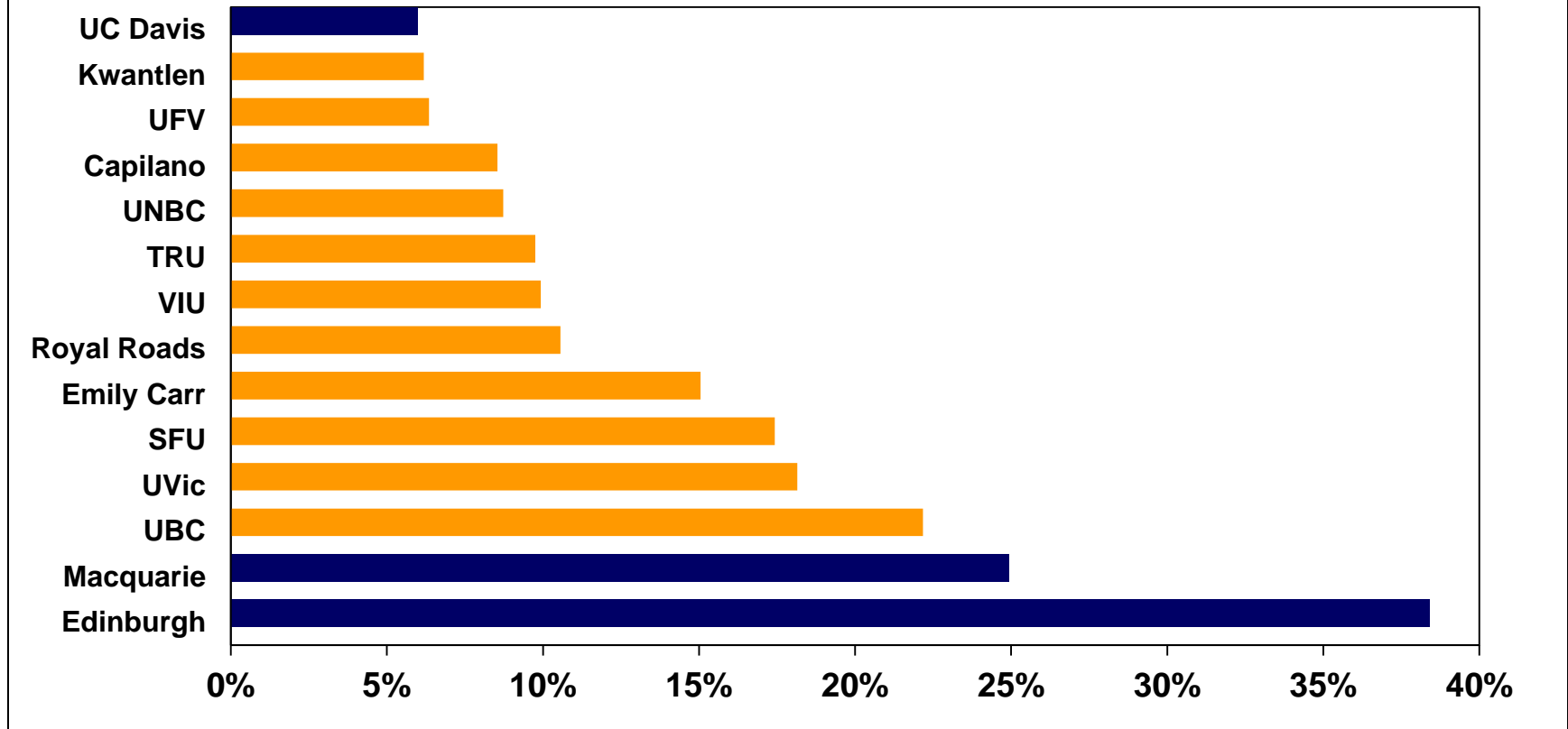
**Alumni affiliations highlight relationship/network value for alumni**

# SOCIAL MEDIA PRESENCE

## Example: LinkedIn

Social

### LinkedIn University Page by University (Percent International Alumni)



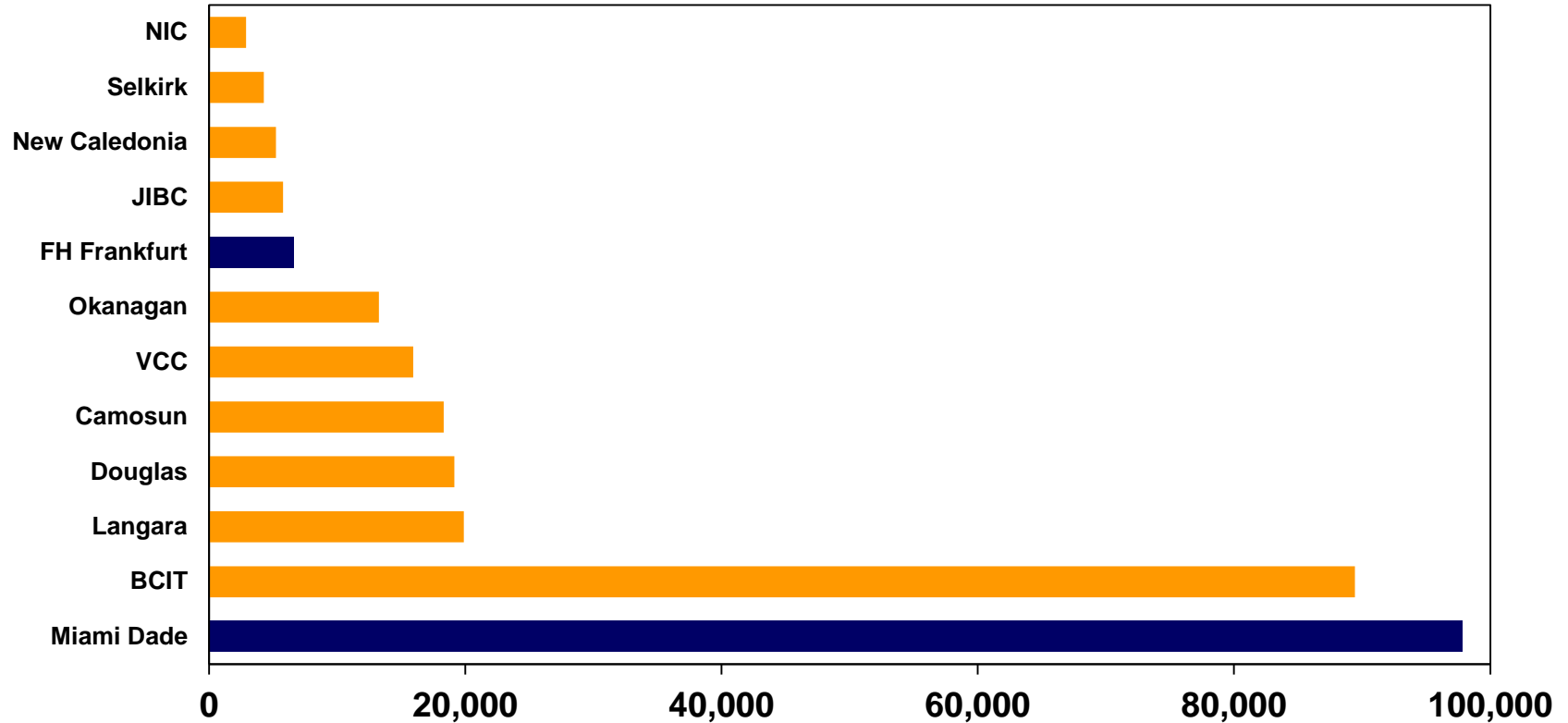
**Large international alumni networks should be leveraged**

# SOCIAL MEDIA PRESENCE

## Example: LinkedIn

Social

### LinkedIn University Page by College (Total Number of Alumni)



**Encouraging connections with alumni who transfer to universities is key**

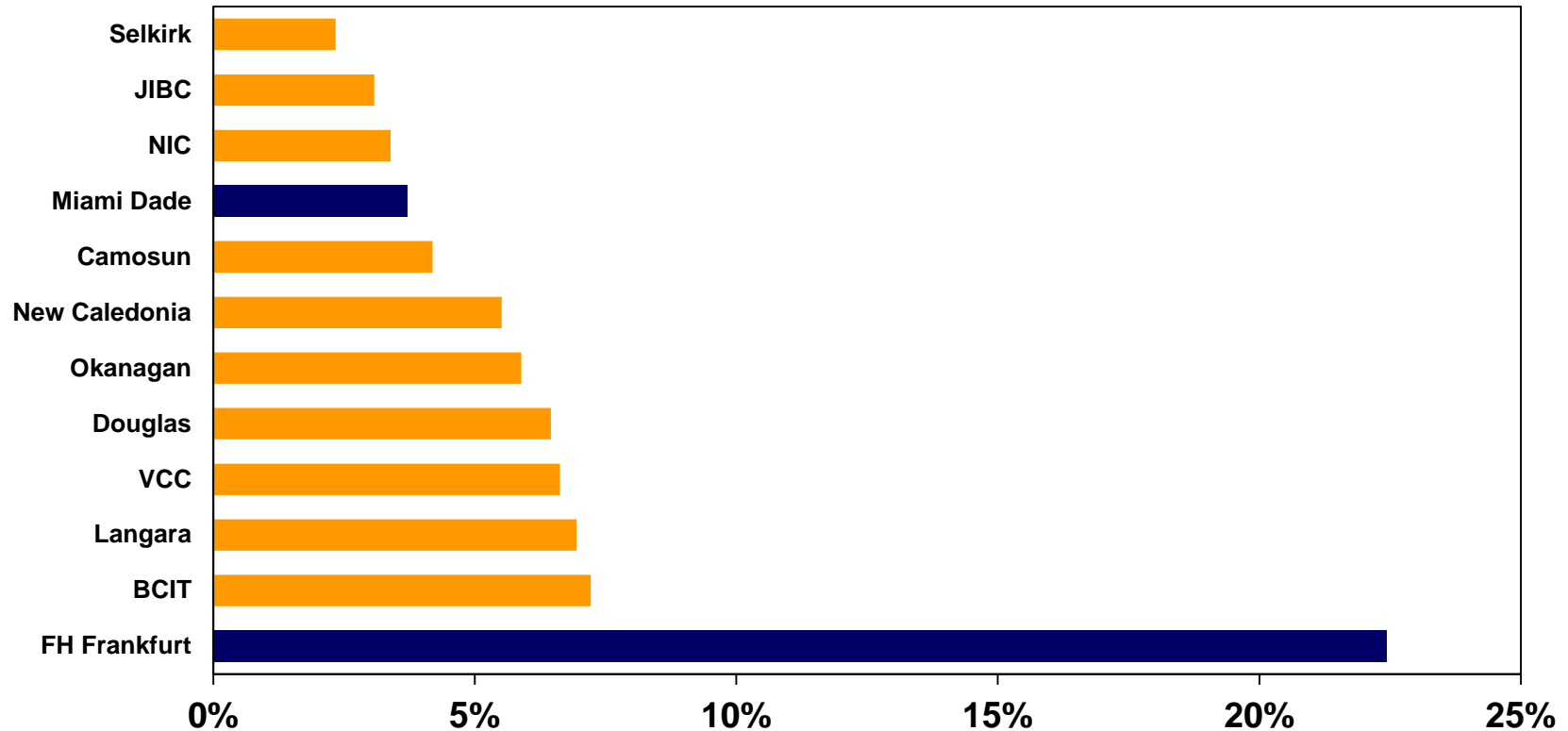


# SOCIAL MEDIA PRESENCE

## Example: LinkedIn

Social

### LinkedIn University Page by College (Percent International Alumni)



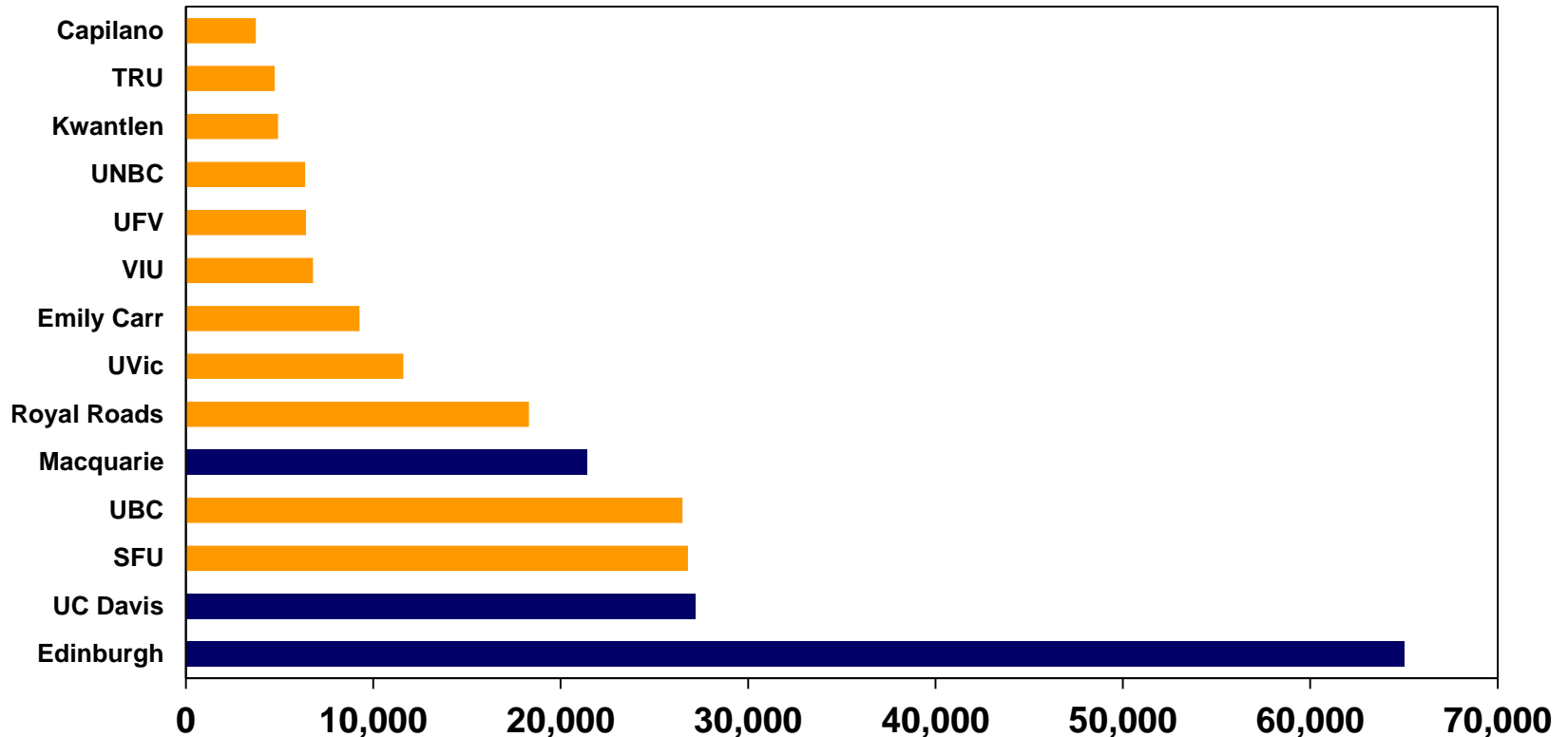
**Less than 10 percent of BC college alumni work internationally**

# SOCIAL MEDIA PRESENCE

## Example: Twitter

Social

### Official Twitter Account by University (Number of Followers)



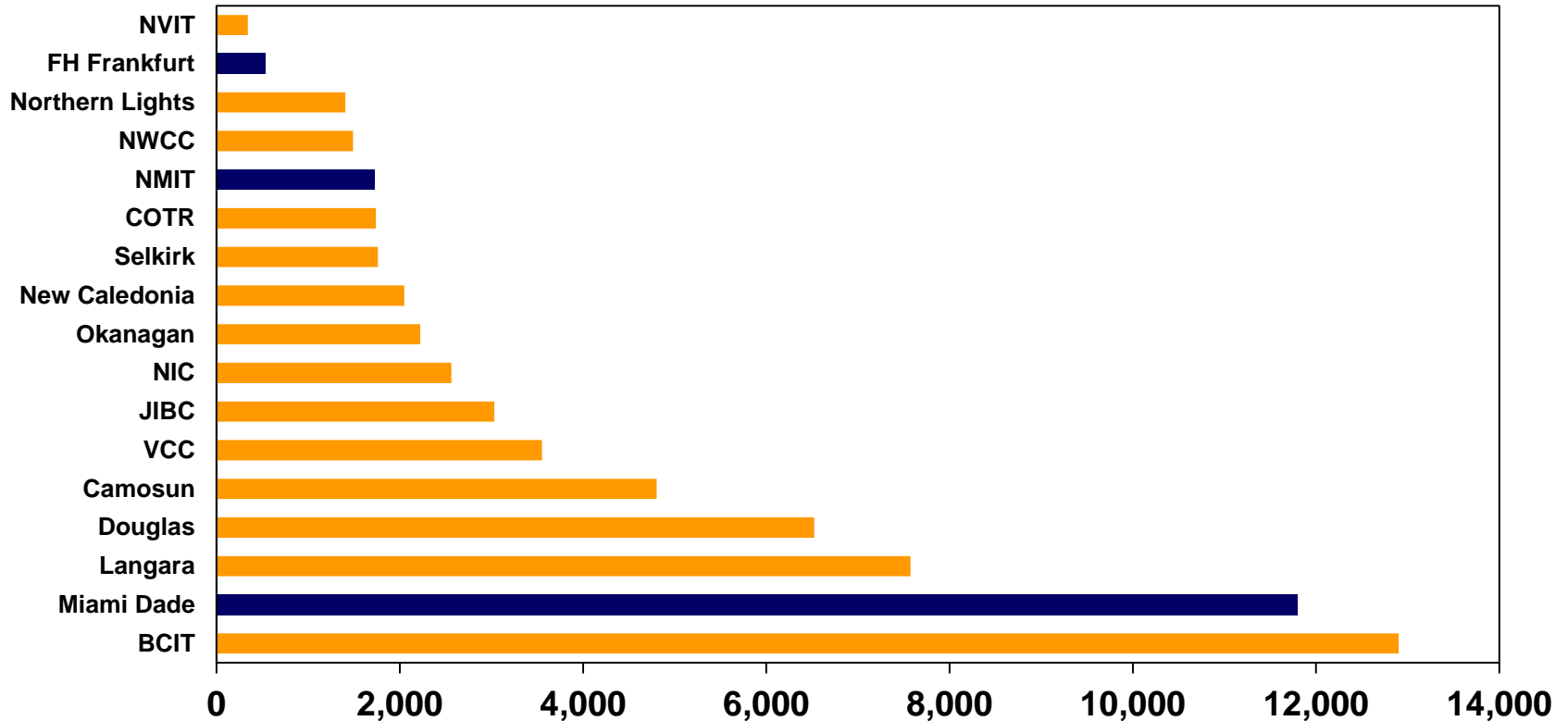
**Tweeting informative and entertaining content attracts more followers**

# SOCIAL MEDIA PRESENCE

## Example: Twitter

Social

### Official Twitter Account by College (Number of Followers)



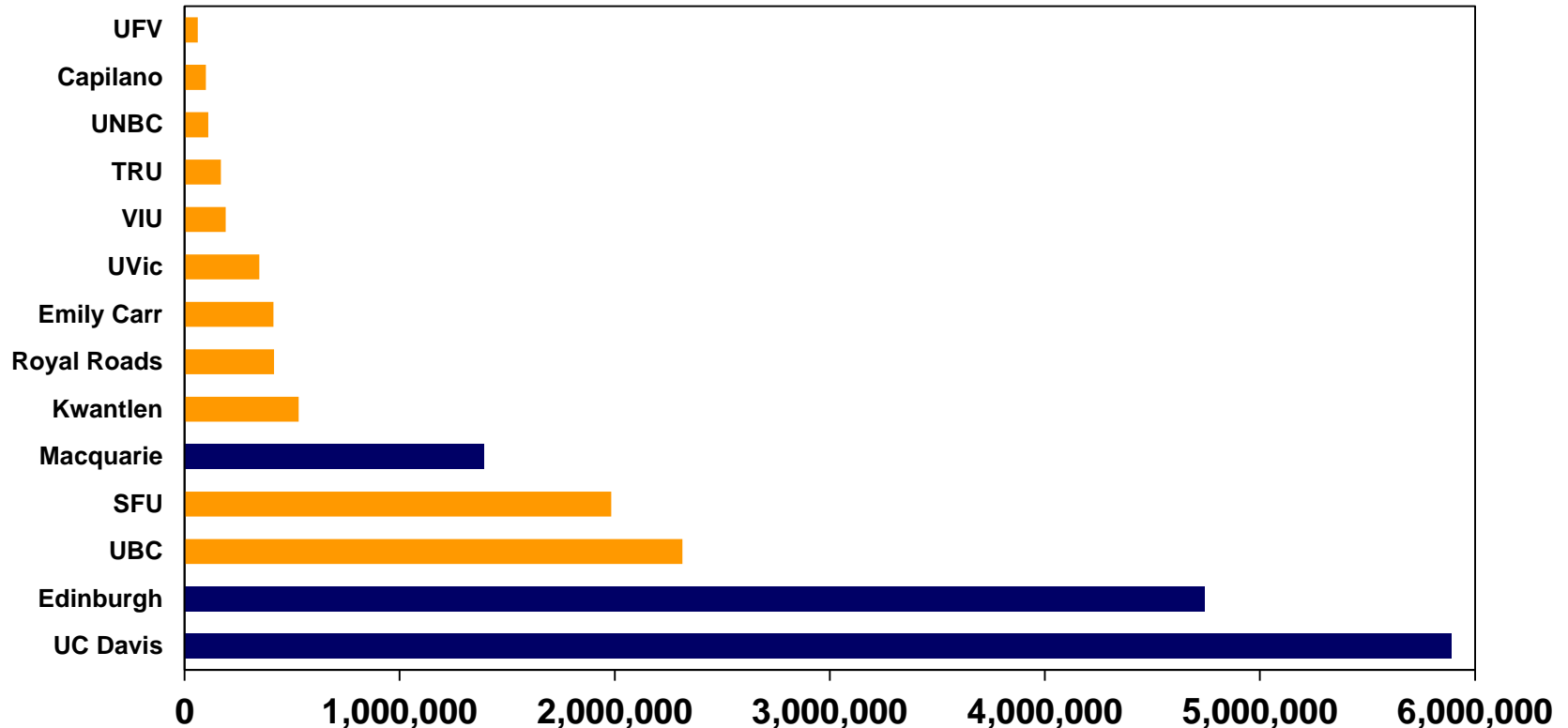
**Unlike other platforms, BC colleges achieve similar followings to universities**

# SOCIAL MEDIA PRESENCE

## Example: YouTube

Social

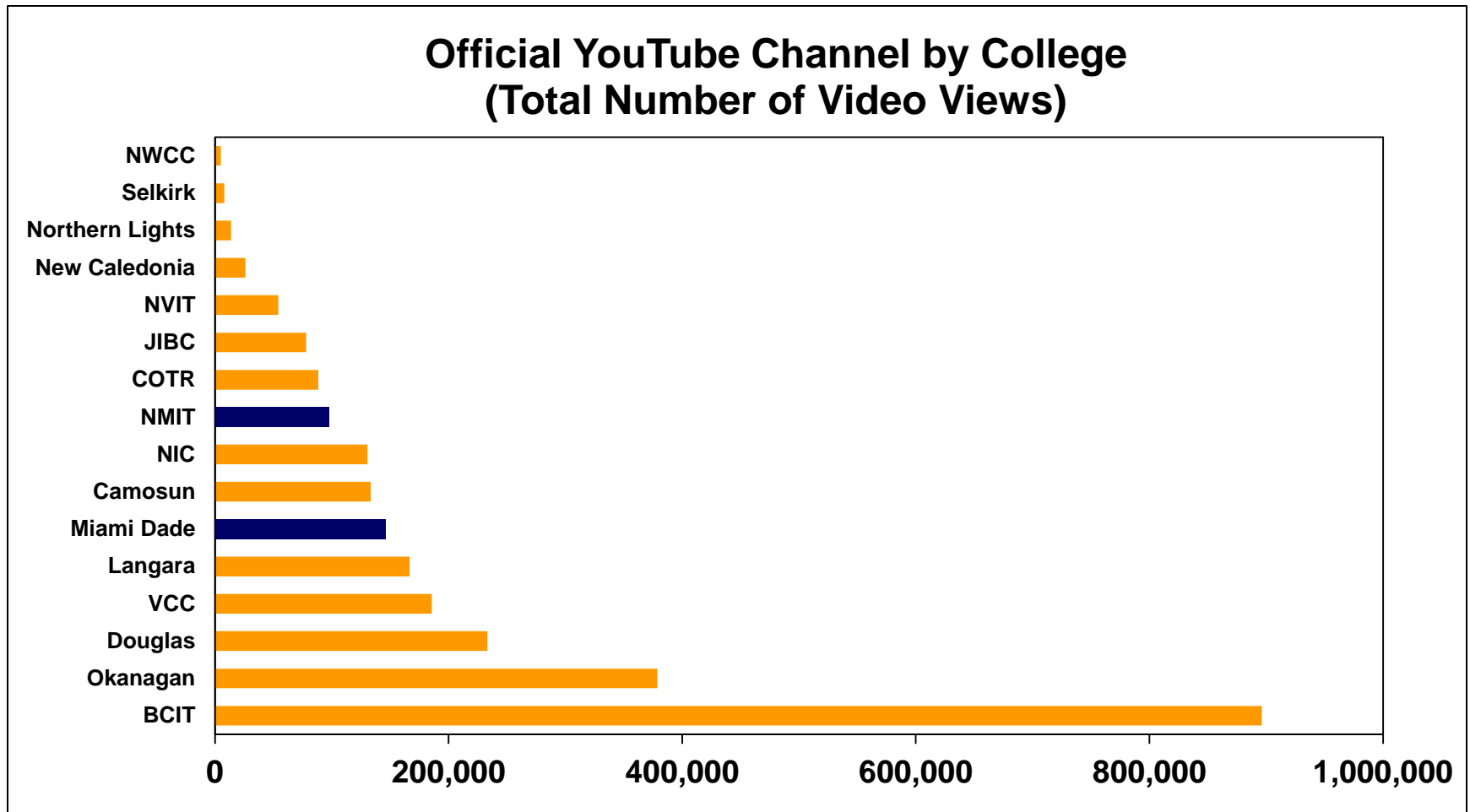
### Official YouTube Channel by University (Total Number of Video Views)



**Targeted high quality content drives greater growth than quantity**

# SOCIAL MEDIA PRESENCE

## Example: YouTube



**More than 55 percent of Okanagan College's views come from a single video**

## Cost

- **Competitive fees dissipate in the light of cost of living and study duration.**
- **The discounting of Australian and U.S. universities will create sizable competition issues.**

## Rankings

- **BC lacks a deep landscape of ranked universities – this is a competitive malus.**

## Social Media

- **TRU is a global social media success story.**
- **Most BC institutions do not operate at the same level than U.S. peers, but comparable to Australian and UK institutions.**

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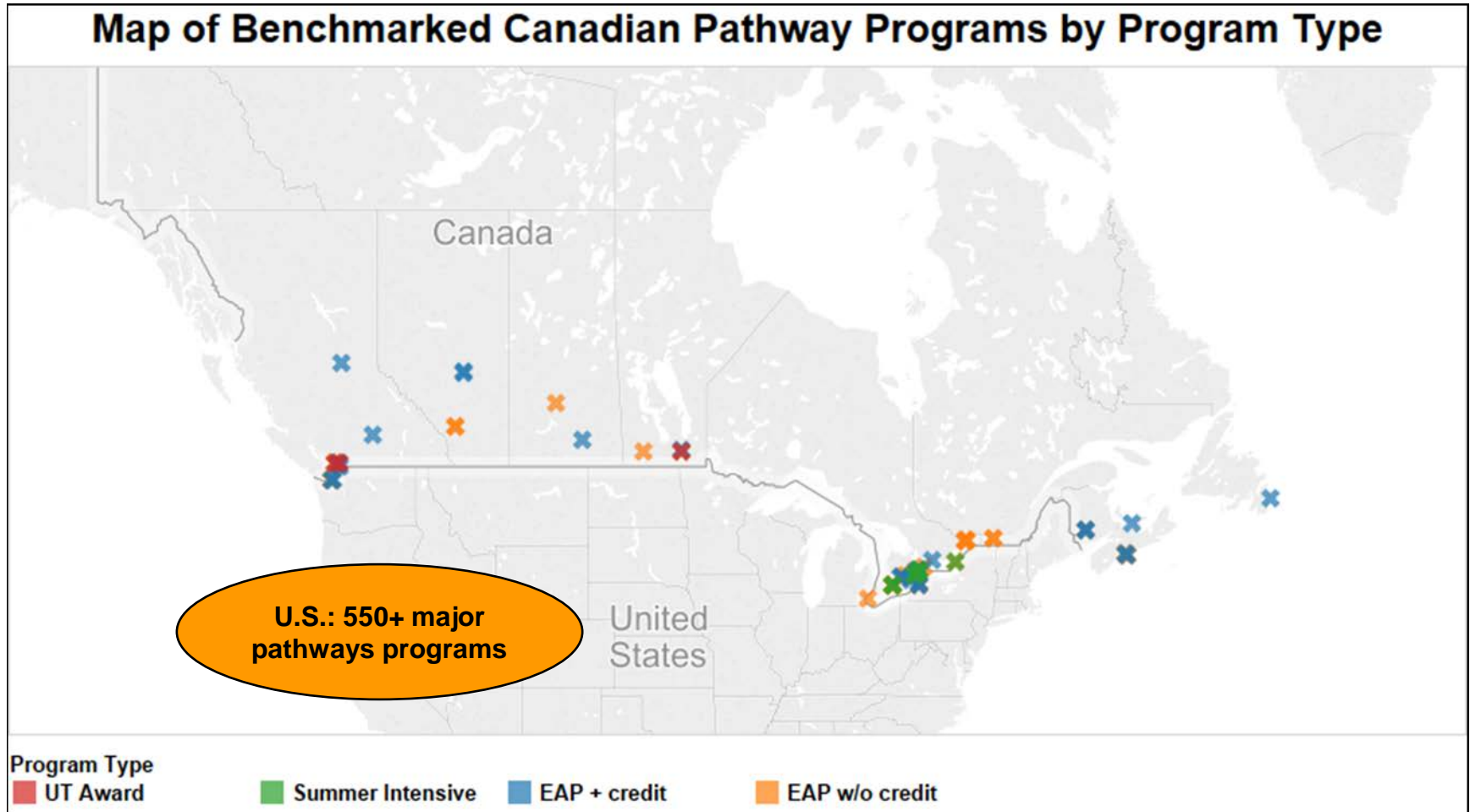
**Competitiveness Driver: Pathways**

**Outlook: British Columbia in 2018**

**Discussion**

# COMPETITIVENESS DRIVERS: PATHWAYS

## Overview



Pathways are “a” if not “the” key growth enablers



- **As of 2014, 25-30 percent of international students entering under-graduate degrees in Canada come from pathways programs (ICG, 2015).**
- **Yet, the Canadian pathways landscape remains fragmented – many universities maintain unclear relationships with pathways programs.**
- **Australia and the UK recruit a majority of international undergraduates through pathway programs. Canada will have to follow suit in order to compete**
- **Within Canada, BC leads for offering tightly integrated pathway programs (e.g., FIC, Vantage).**

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## ICG's five projections in the 2014 Intelligence Report:

- BC is likely to see continued international student enrollment growth, but likely at a slower pace. **True**
- The cost of living in Vancouver especially will put increasing pressure on institutions to mitigate costs. **True**
- The growing lack of diversification requires a more pronounced re-balancing of student portfolios in the mid-term future. **True**
- BC universities will experience rising competitive pressures from Australian, UK, and increasingly US institutions. **True-ish (ex UK)**
- The increasing utilization of better-integrated pathways will offset some of the above mentioned pressures. **True-ish (on-going)**

- **Many basic BC framework conditions and the Canada brand remain favorable.**
- **Yet the value proposition of BC education providers has eroded – total costs are becoming uncompetitive.**
- **BC's pathways requires a sustained, global build-out.**
- **BC's increasingly less diverse international student pool is creating structural risks.**
- **For 2017 & 2018, the biggest competitive pressures will emanate from the U.S.**
- **BC institutions need to urgently address front-end activities: Marketing, recruiting, and admissions.**

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**Dr. Daniel J. Guhr**  
**Managing Director**

**Phone +1 650 860 6102**

**Fax +1 650 860 6109**

**[guhr@illuminategroup.com](mailto:guhr@illuminategroup.com)**

**Illuminate Consulting Group**  
**P.O. Box 262**  
**San Carlos, CA 94070**  
**USA**